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5WORLDTRADEORGANIZATION

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7LISTENINGPANEL

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9STATEHISTORICBUILDING

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11DesMoines,Iowa

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13July12,1999

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1 SECRETARY JUDGE: Thank you for
2 coming back after lunch. It was a long
3 morning, lots of things said, lots of food
4 for thought. We appreciate you all this
5 morning taking time and the opportunity to
6 share with us here today. To start this
7 afternoon's session, it is my honor and
8 privilege, once more, to introduce to you
9 the Governor of the State of Iowa, Thomas J.
10 Vilsack.

11 GOVERNOR VILSACK: Secretary,
12 thank you very much. I'm certainly pleased
13 to be here, and I'm pleased to welcome
14 Secretary of Agriculture Dan Glickman and
15 other representatives from across the
16 Midwest, Iowa for this listening post for
17 the World Trade Organization.
18 And listening post is a very
19 appropriate name for this meeting because we
20 need you to listen. The current
21 surplus of commodities in livestock, coupled
22 with drastically falling prices, have

23plungedAmericanagricultureintoacrisis

24ofcommerceandconscience.Itthreatens

25notonlytheJeffersonialidealofsmall

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1landownership, but the very survival of
2family farms and rural communities, and it
3has the potential to stabilize local, state,
4and even national economies.
5The Hudson Institute recently
6estimated that farmers must triple food
7production worldwide in the next 50 years to
8keep up with rising population. Yet what
9incentive is there for American farmers to
10do so when low prices, artificial trade
11barriers, political decisions based on bad
12science, and incomplete protection of
13intellectual property rights promise nothing
14but economic ruin?
15Iowa recognizes that this
16administration has taken important steps in
17supporting bilateral trade and in creating
18open trader relationships. We applaud the
19World Trade Organization discussions and the
20free trade of the Americas regional round
21tables, and we're encouraged by the scores
22of important trade agreements that have been

23struckaroundtheworld.Butbecauseofthe

24perilofthismoment,wemustimploreyou,

25andthisadministration,todoevenmore.

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1 We respectively request your active

2 attention to the following four world trade

3 imperatives:

4 First: We urge the continued

5 creation of a carefully structured framework

6 for deciding international trade disputes.

7 This framework must be built on transparent

8 rules and policies, and must establish a

9 simplified process in imposing real sanctions

10 when countries do not follow the rules. It

11 is impossible for international companies,

12 much less smaller domestic firms, to succeed

13 when they play by the rules only to be

14 sideswiped by rural countries that simply

15 ignore them. The rule of law needs to

16 ensure a level playing field for all of us.

17 We promise to be good and honest

18 international partners, but we demand the

19 same treatment. Countries that are not in

20 compliance must be held accountable and must

21 be made to suffer significant consequences.

22 Two: There must be an insistence

23onacleararticulationofqualitystandards

24andtheuseofgoodscience,notanecdotal

25innuendoorhysteriawhencountriesdecide

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1 to ban or limit the access of products to
2 the international marketplace. A prime
3 example of the problems which can arise when
4 such a system is not in place is the
5 European Union's recent decision to keep
6 meat raised with growth hormones out of
7 Europe, and the domino effect of such
8 decisions on the rest of the marketplace.
9 It is the responsibility of
10 federal and state governments to assist in
11 the evaluation of products and the defense
12 of good science, and to demand the use of
13 clear specifications of quality standards
14 and that good science in international trade
15 disputes. We promise to seek good science
16 and interpret it fairly, but we must have a
17 strong voice representing our interests in
18 the international marketplace, a voice that
19 refuses to accept unreasonable bans and
20 trade interference based on moving
21 standards, hysteria, and questionable
22 science.

23Three:Wemusthavegreater

24internationalprotectionforintellectual

25propertyrightsandmarketaccessfor

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1services. This is critical for obtaining
2investment capital and pursuing new
3frontiers and value-added agriculture and
4biotechnology, as well as creating
5opportunities for our financial and
6insurance industries. While we absolutely
7recognize the importance of sharing
8discoveries for the good of all, we must
9also commit ourselves to the protection of
10patents, copyrights, and intellectual
11property rights of every strife, for when an
12outlaw nation allows its citizen to steal
13and market our intellectual property without
14redress, we must take action to protect
15ourselves. Anything less will discourage
16our leadership on the cutting edge of world
17technology.
18Finally, any trade agreement that
19is reached between and among nations must
20meet the standards of a human world
21community. They must contain core labor
22standards and protections of all people,

23especiallychildren,andtheymusthave

24built-insafeguardsfortheenvironmentwe

25allshare.Thesestandardsandprotections

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1 must be consistently and aggressively

2 enforced.

3 Franklin Delano Roosevelt once

4 said that humankindness has never weakened

5 the stamina or softened the fiber of a free

6 people. A nation does not have to be cruel

7 to be tough, nor does international trade.

8 And as for our environment, we

9 must take the call of John Kennedy which has

10 intensified over time when he said, "The

11 supreme reality of our time is the

12 vulnerability of our planet." So clearly,

13 we must move to create a free and fair

14 trade. As we do so, it remains our

15 responsibility to exercise leadership and to

16 demand that the world's children, its labor

17 force, and our environment do not become the

18 waste products of misguided international

19 industry.

20 Thomas Watson, the American

21 industrialist who built IBM into the largest

22 manufacturer of its kind in the world,

23 offered us this vision. He said, "With the

24 proper commerce across the borders of all

25 countries, it is unnecessary for soldiers to

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1 march across those borders. "Now, this
2 vision may have been a bit simplistic, but
3 it does reveal two of the more important
4 by-products of free and fair trade:
5 Engagement and interdependence.
6 Perhaps when we address the four
7 world trade imperatives I've raised today,
8 when we have a real framework for deciding
9 disputes and real sanctions when nations
10 ignore the rules of law, when we insist on
11 sound science for the classification and
12 limitation of products, when all
13 intellectual property is respected and
14 protected, and when all of our free and fair
15 trade agreements meet the standards of a
16 human world community, then perhaps we will
17 be fully engaged and interdependent. Then
18 and only then, on a level international
19 playing field, can our market-based economy
20 thrive into the new millennium.
21 When the future comes,
22 Mr. Secretary, when it is time for propriety

23to be our judge, I hope that our children

24and grandchildren can look back to this hour

25and to these days when, we as a nation and

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1asapeople,ledtheworldtofull,free,
2andfairtrade,openandaccessiblemarkets,
3andasustainedseasonofprosperityforall
4ofus.

5Thankyoufortheopportunityto
6sharethesecommentswithyoutoday.

7SECRETARYJUDGE:Onemore
8introductionbeforeMikeBlouintakesover.

9Iwouldberemissasthefirstsecretary,
10femaleSecretaryofAgricultureoftheState
11ofIowaifIlettheLieutenantGovernor
12walkoffthestagewithoutintroducingher.

13Ladiesandgentlemen,thisis
14LieutenantGovernorSallyPeterson.

15MR.BLOUIN:We'vegotsomework
16todoifwe'regoingtogetcaughtupbefore
17nightfall.Wehavefivefolkswhohave
18pre-lunchcommentstomakebeforewemove
19intothepanelthatwasscheduledtobegin
20at1:15.

21I'dliketoaskallofour
22speakersthisafternoon,notforyoursake

23asmuchasforthosethataregoingto

24followyou,topleaseadheretothetime

25limit;threeminutesfortheaudience,five

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1minutesforthepanelists.Thereisa
2littletimekeeperforeverypersonthatwill
3bespeakingthat'ssittingonthetable
4there.Whenit'syellow,you'vegot60
5seconds.Whenithitsred,itmeansstop.
6Justlikeastreetlight.Takeaboutten
7secondstowrapitup.Remember,your
8testimonyisgoingtobesubmitted.Itwill
9notbeabbreviated.Theonlydifference
10willbethey'llhavetoreadittohearit,
11andIdon'tthinkthatwillhurtyouall
12thatmuch.
13Ourfirstaudiencepresenteris
14DennisMeyer.Ifyou'restillhere,we'd
15likeyoutocomedowntothismicrophone,
16please,andmakeyourcomments.The
17microphoneisoverhere,andthereisalady
18inthefirstrowwhowilltakecopiesof
19yourtestimonysoyoudon'thavetopassit
20out.Thatwillsaveusabout60seconds.
21MR.MEYER:Goodafternoon.Iam
22DennisMeyerofBernard,Iowa.Ioperatea

23100-cowfamilydairyfarmwithmywife,

24Darlene,andthreesons.Wefarm384acres

25ofcroplandandalsoraiseHolsteinand

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1crossbredsteersandhorses.Iamamember
2ofFamilyDairiesUSA,whichrepresents
3familydairyproducersinnineupperMidwest
4states.IamthepresidentofitsEast
5CentralIowaLocal.IalsobelongtoIowa
6FarmBureau,theDubuqueCountyDairy
7PromotionsAssociation,theAmericanQuarter
8HorseAssociation,andtheDubuqueCounty
9SaddleClub.
10IwanttothankSecretaryGlickman
11andAmbassadorBarshefsky,SecretaryJudge,
12andMr.Scherforthisopportunitytoshare
13myviewsonU.S.dairytradepolicyforthe
14upcomingWTOtalkslaterthisyearin
15Seattle.
16Grassrootsdairyfarmersrecognize
17thatradeliberalizationisinevitable;
18however,wewanttomakesurethatanynew
19tradeagreementissensitivetotheneedsof
20America'sdairyfarmerfamilies.Those
21concernswerebroughtoutattheDubuque
22CountyDairyPromotionAssociationbanquet

23heldApril9thinDubuque,Iowa.Atotalof

24823localmilkproducers,ruralbusiness

25peopleandconsumerssignedapetition

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1 expressing strong support for family dairy
2 farms and the Dairy Trade Coalition on key
3 trade concerns including: The need to
4 appreciate the multifunctionality of family
5 farms, concern about the elimination of
6 tariff rate quotas, and the DEIP program,
7 the need for trade policy to strengthen
8 American family dairy farms, and the need to
9 reform state trading enterprises.
10 As past chairman of that group, I
11 present copies of those petitions to you now
12 which I gave to you.
13 The National Milk Producers
14 Federation, the U.S. Dairy Export Council,
15 USDEC, and other so-called trade experts
16 keep telling us that our future lies in
17 exporting dairy products because 96 percent
18 of the world's consumers live outside the
19 U.S. To gain access to these export
20 markets, however, we are told we must
21 eliminate our import controls, internal
22 supports, Dairy Export Incentive Program,

23andmanyotherpublicprogramsimportantto

24familyfarmersandruralcommunities.

25Beforewesacrificeanyofthesekey

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1programstogainanewdairytrade

2agreement,however,weneedtoasksomehard

3questionsabouttherisksandpotential

4rewards of this proposition. Those

5questions are spelled out in my written

6statements which I have submitted for the

7record. I encourage you, please, to read

8those very carefully.

9The U.S. is pursuing zero-for-zero

10international trade policy advocated by the

11National Milk Producers Federation and U.S.

12Dairy Export Council and others at the

13urging of the Cairns Group. As part of the

14zero-for-zero proposal, National Milk

15Producers, USDEC, and other processor allies

16are willing to sacrifice our tariff rate

17quotas to gain market access abroad.

18Under this scenario, U.S. milk

19prices would plummet to an estimated \$9 to

20\$9.50 per hundred weight, a level that would

21definitely bankrupt me and most of my

22constituents. Without tariff rate quotas,

23ourmarketwouldbeopentoafloodofdairy

24importsfromallovertheworld.Weseefew

25meaningfulexportopportunities,

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1particularlyintheareaofbulkdairy

2products,duetocompetitionfromlower-cost

3producersandstatetradingenterpriseslike

4theNewZealandDairyBoard.

5Ourgovernmentisputtingmany

6importantdomesticprogramsatriskby

7pursuingCairnsGroup'sfreetradeagenda.

8Recentreportsbythedairyfarmersof

9CanadaandtheDutchDairyAssociation

10indicatethatourfederalmilkmarketing

11orders,watersubsidies,diarycompacts,

12federalfeedingprograms,andothertools

13wouldbeinviolationofWTOrules.Ihave

14acopyofeachreportwithmewhichI

15submittedtoyou.IstheU.S.government

16willingtorisktheseandotherprograms

17pursuitofaquestionablefreetrade

18agreement?

19Weappreciatetherecentinterest

20inreformingstatetradeenterprises

21thatcompeteunfairlyintheworldmarket.We

22areconcernedthatstatetradingenterprises

23arecleverlymaneuveringtoevadereform

24throughtechnicalchangesthatdonotalter

25theirbasicfunctions.NewZealand,for

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1example,isintheprocessofconvertingits

2dairyboardintoaprivateentitythatwill

3continuetobethefunctionalequivalentof

4theSTEsrightnow.

5Thankyouverymuchforthe

6opportunitytosharetheseviewswithyou.

7MR.BLOUIN:JohnWhitaker.Eldon

8Lawless,you'renext,somaybeyouwantto

9workyourwaydownhere.Wecanmaybesave

10alittletime.

11MR. WHITAKER:Thankyou.Thank

12you,SecretaryJudge,theUSDA,USDRfor

13havingthislisteningpostthisafternoon.

14IhadonethoughtasIwaslisteningtothe

15panelthismorning.Imustnothavebeenat

16churchonemorningwhenwereceivedthe

17God-givenrighttotellotherpeopleinthe

18worldthattheydon'thavetherightto

19producetheirownfoodanymore.Thatwasa

20littledisturbingonafewspeakers.

21Thefamilyfarmersandranchers

22worktomakealivingproducingfoodand

23fiberforournationandtheworld.Our

24livelihoodsdependonthedomesticfarm

25policyandworldtradepolicywhichallows

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1 to receive a fair, honest price in the
2 marketplace, in exchange for our labor,
3 inputs, and environmental resource
4 conservation efforts.
5 I caution you to guard against any
6 attempts by trade negotiators to bargain
7 away domestic farm policy for authority.
8 Such actions only serve to limit, if not
9 lower, U.S. net farm income.
10 The implementation of the Uruguay
11 rules governing ag policy has brought about
12 one thing to America's producers: Lower
13 prices, which we all know has lowered our
14 income. The failed freedom of farming
15 legislation mirrors the Uruguay agreement on
16 agriculture. If we got a deal like this on
17 a used car, we'd probably sue the dealer.
18 I have a few specific points this
19 afternoon. We need a comprehensive economic
20 impact state of our current trade agreements
21 before we enter into any new ones. We need
22 to know what's happened to us in the past

23agreements.Allfoodproductsmustacquire

24Acountry-of-originlabel.Allconsumers

25havearighttoknowwherefoodis

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1 produced. I'm proud to put a label on what

2 I produce because I believe that it's a

3 high-quality product, and I believe it's

4 something that anybody in the world--

5 applause--I'd like for consumers to know

6 that it's my product when we buy it.

7 We must level the health,

8 sanitary, environmental and labor standards

9 of imported products up to our own

10 standards; not use trade agreements to lower

11 our standards down to the level of exporting

12 nations. U.S. ag products have a higher

13 value on the domestic market than the export

14 market. We must initiate some system

15 whereby producers can capture the higher

16 domestic value.

17 Trade agreements should require

18 all exporting nations to have their own

19 farmer-owned reserve of feed grain and

20 seeds. These reserves should be isolated

21 from the market by a price-trigger mechanism

22 that is high enough to ensure that they

23remainisolated.Tradeagreementsmust

24recognizeandaccountforcurrency

25fluctuations.Theycurrentlydonotdos.

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1I'lljuststopthere.

2MR.BLOUIN:Thankyouverymuch.

3I'llapplaudthat.Eldon,comeonup,and

4RodPierce,you'rebehindhim.

5MR.LAWLESS:Thankyouforthis

6opportunity.I'mEldonLawless,chairmanof

7theKansasWheatCommission,theproducerin

8southcentralKansas.Forsomeofthoseof

9yououttherethathaveexpressedaconcern

10overfinancialdivision,I'malsoinvolved

11infreeagbanks.SoIdounderstandthe

12plightthatalotofyouaregoingthrough,

13andhopefullywecandesignasystemthat

14willstarttohelphatsituation.

15Iamawheatproducer,andwhenit

16comestotradingoffanyU.S.government

17supportforagricultureinthenexttrade

18round,allowmetoquotetheSecretary's

19friendandSenatorfromKansas,Mr.Pat

20Roberts,"Wealreadygaveattheoffice."

21AndIthinkthispointstoethingsthat

22wehavetobecarefulof:Thatwedon't

23giveawaytoomuchinordertogetsome

24negotiationsontheotherside.

25WewouldliketoseetheU.S.

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1 government use every tool at their disposal

2 to help find markets for and encourage the

3 sale of U.S. wheat. While Europe uses

4 export price subsidies and government

5 sanction monopoly--(inaudible).

6 We are encouraged by--this is to

7 the Secretary and for Tim Galvin that was

8 here, they are presently looking at some

9 support to help us clean wheat so that we

10 can be competitive with Australia and Canada

11 in our exports. We think this is one

12 initiative that is very important for us.

13 But we also have to be careful that in

14 designing a system, that we can compete the

15 way they compete: By selling a

16 higher-quality product at lower prices.

17 This is one of the things that has not been

18 discussed yet in trade, but it's very

19 obvious that Canada and Australia do use

20 quality as an export subsidy.

21 I had dinner with the Chairman of

22 the Australia Wheat Board recently. He

23pointedoutthatapproximately20yearsago

24theyknewthattheycouldnolongercompete

25withEuropeandtheUnitedStateswith

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1 exports subsidies because their government

2 did not have that system or the price to do

3 so. So he said we knew the only way we

4 could compete was through quality and

5 variety development and in cleanliness, and

6 they have done a fine job. You know, they

7 beat us in a lot of markets just because of

8 that. We need the opportunity to be able to

9 do the same type of thing.

10 Global trade is not a new thing.

11 I read a history book about Kansas several

12 years ago. It was on the development of the

13 wheat industry from the 1870s on through the

14 1900s in Kansas. It pointed out that the

15 price of wheat got up to somewhere in the \$2

16 range, about where it is right today, 100

17 years later; however, due to some trade

18 disputes with Liverpool, wheat being shipped

19 out of Galveston was shut down. It brought

20 the price of wheat back down almost 7 cents

21 a bushel. That had to do with trade

22 disputes and global trading. This thing is

23notnew,sowe'rerehashingoldhistory.

24Onbehalfofthewheat

25organizationweworkwith,wehavewritten

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1 testimony to submit that it emphasizes the issues
2 that those of us who are present for wheat
3 producers feel are important. Thank you for
4 the opportunity to submit those written
5 comments, and be assured that wheat
6 producers are prepared to spend dollars to
7 be heard in this round which we were not the
8 last time.

9 Thank you very much.

10 MR. BLOUIN: Thank you. Rod
11 Pierce. Our next speaker will be Charles
12 Pyatt.

13 MR. PIERCE: Hi. I'm Rod Pierce.
14 I farm 30 miles northwest of Des Moines. I
15 farm 1,500 acres; half corn, half soybeans.
16 I used to feed 2,000 head of hogs but quit
17 last year due to the depressed prices. I
18 feed out 320 head of cattle in a custom
19 lot.

20 My grandfather crossed the ocean
21 at age 16 looking for a better life.
22 Working in coal mines northwest of here, he

23savedenoughmoneytobuy45acresof

24farmground.Myfatherexpandedandhelped

25startthreeofhisfourboysinfarming

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1 before retirement. My grandfather's strong
2 work ethic has been key in three generations
3 of successful farmers.

4 This year hard work will not cure
5 our financial problems. Farmers are too
6 proud to ask for handouts, but too
7 financially stressed to not accept them.

8 Each of four generations have
9 experienced breakthroughs in agriculture.
10 For my grandfather it was hybrid seed corn.
11 For my father it was commercial fertilizer,
12 and for me it has been biotechnology.

13 Biotechnology has provided many
14 traits that increase productivity and
15 profitability with reduced costs, increased
16 production, and value-added traits. A big
17 benefit for farmers and consumers is that we
18 apply fewer pesticides to control insects
19 such as corn borers.

20 Before Bt corn was developed, it's
21 estimated that the damage from corn borers
22 cost U.S. farmers \$1.2 billion a year. We

23also used herbicide-resistant hybrids and

24 varieties on our farm. These let us use

25 more environmentally friendly chemicals and

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1lower our input costs, lowering--thus

2lowering our cost of production.

3All of the GMOs I plant are

4approved for export. My concern is the GMOs

5of the future. Will the EU create a doubt

6in consumers around the world? Will

7consumers base their buying on emotion

8instead of scientific facts?

9U.S. agriculture needs the export

10market to survive. One out of every five

11 rows of corn we plant goes for export. We

12 currently need more exports to clear out our

13 oversupply of grain. We farmers have a duty

14 to keep harvested grain from non-approved

15 biotech hybrids out of the export channel.

16 We also need the new GMOs to be approved in

17 a timely manner.

18 While the EU has approved most

19 products, they haven't made any new

20 approvals in 18 months. Approvals for new

21 trades are stalled. The EU regulatory

22 system is not working and is disrupting

23worldtrade,thusaffectingIowafarmers.

24Farmersdon'twanttobeblockedfromusing

25thenewtechnologybecauseofthe

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1Europeans.

2Allofthiscreatesconfusion

3amongfarmersandelevatorsastowhat

4productsareapproved.Thepublicneedsto

5knowthattheU.S.governmentscrutinizes

6allcropswithbiotechtradesatare

7commerciallygrownintheU.S.

8Ifelthegovernmentshould

9stressthe needforandsupporttheadoption

10ofanEUregulatorysystemthatworks.Most

11oftheissuesinvolvingbiotechnologyare

12alreadycoveredundertradeagreementswe

13alreadyhave,andtheU.S.governmentshould

14usetheupcomingWTOnegotiationstoaddress

15theproblemsofbiotechtrade.Isupport

16thecommodityandagriculturegroupsthat

17arecallingforasingleundertakingofthe

18WTOtalksinsteadofindividual

19sector-by-sectortalks.

20Justasmygrandfatherexperienced

21roughwatersashecrosstheoceanfora

22betterlife,I,asafarmer,amexperiencing

23roughwaters.Asheputhisfaithinthe

24ship'scaptain,IputmytrustintheUSDA

25topointthecompassintherightdirection

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1 to secure a future for the crops developed

2 using biotechnology.

3 Thank you.

4 MR. BLOUIN: Charles Pyatt.

5 MR. PYATT: Good afternoon. I'm

6 Charles Pyatt. I'm a member of the National

7 Board of Corn Growers Association

8 representing several thousand corn producers

9 in about 24 states, I think we have members

10 now, and I want to thank you for the

11 opportunity to make our presentation here

12 today.

13 We understand the desire of all

14 countries of the world to be self-sufficient

15 in food production, and that they will do

16 everything they can to protect their ag

17 producers, as they should. We also

18 understand the influence of the

19 international banking community in

20 protecting markets for third-world countries

21 whose agriculture they finance. We believe

22 American producers deserve equal recognition

23andrepresentation.

24Wearenotopposedtotheuseof

25GMOsinproductionagriculture;however,if

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1theyaretobeastumblingblockinthe
2negotiations,letmeassureyouthatwe
3upholdourmembers,andthey'reperfectly
4willingtogrowthecommoditythatthe
5producerwantsand--orthconsumerwants,
6excuseme,sothatwehavegrainavailable
7rightnow,GMO-free,andourproducersare
8perfectlywillingtoproduceforthemarket,
9whateverthatmarketis.
10AlsoIthinkweneedtoconsider
11theconsequencesofcurrentpolicy.Soil
12erosioninnortheastIowathisyearisthe
13worstinmymemory,andI'vebeenafarmer
14over50years.Ourdomesticfarmprogram
15hasfailed.Pleasehelpusstoptheabuse
16ofoneofAmerica'sgreatestnatural
17resources:Oursoil.Stopaskingfarmers
18toproduceforanonexistentmarket.Help
19usdevelopanexpandedCRPwithashort-term
20soilrestorationprogramandencourageother
21nationstotakesimilarsteps.
22Exportingagcommoditiesbelowthe

23costofproductionissimplystealingfrom

24futuregenerations.Futuregenerationsare

25dependentonprotectivemeasuresthatwe

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0027

1 takenow.

2 Andlisteningtotheotherfarmers

3 herethismorningtestifyingkindofreminds

4 meofalittlepoemaboutthelittlebird

5 whosejobwastowakeuptheemperoreach

6 morning.Theemperordidn'talways

7 appreciatethatlittlebirdsinginghis

8 song,but--sohewrotealittlepoem,and

9 itwentlikethis:"Thesunwasshining

10 brightlyandIcouldscarcelywaittoponder

11 outmywindowandgazeatmyestate.A

12 breezewasblowinggentlythatmadethe

13 flowers sway,andeverythingwasbeautiful

14 onthisenchantedday.Myeyesfellupon

15 thelittlebirdwithaprettyyellowbill.I

16 beggedofhimtocomeandsituponmysill.

17 AndIsmiledathimsweetlyandgavehima

18 crustofbread.ThenIreachedout,slammed

19 thewindowandIcrushedhislittlehead."

20 MR.BLOUIN:Thankyou,Charles.

21 Weneededthat.

22 We'renowmovingintoour

23afternoonprogramwithpanelnumber3,and

24pleasecomeupasIcallyourname.Jim

25Carroll,SteveErdman,RoelAndriessen,Bill

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1 Menner, and Gretta Irwin.

2 And, Roel, it looks like you're

3 here already, so you start talking while

4 they're sitting down.

5 MR. ANDRIESSEN: Thank you and

6 good afternoon. Thank you for this

7 opportunity to share my views about the

8 importance of international trade and some

9 of the challenges we face in the rural

10 market.

11 As you know, exports are

12 critical to the supply, both American

13 agriculture, especially in light of four

14 massive supply of food subsidies. The

15 current prices have no chance to make

16 substantial recovery without more exports.

17 Grain farmers, beef and pork producers are

18 depending on the offices of the USDA and

19 USDR to open doors for more world trade.

20 IBP is a willing partner in adding value to

21 farm commodities for sale on the

22 international marketplace. This process

23addsjobstotheU.S.andhelpsallaspects

24ofproductioninagriculture.

25Wehaveworkedhardtodetermine

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1 the need so if its customers throughout the
2 world. We know what they want, are anxious
3 to produce for them, and will continue to
4 invest substantial funds in this effort,
5 especially if we can be assured of greater
6 market access.

7 According to the U.S. Meat Export
8 Federation, beef exports added \$9.57 a
9 hundred weight to the value of cattle, and
10 \$5.91 a 100 weight to the value of slaughter
11 hogs in 1996. Meanwhile, U.S. feed grains
12 and soybean exporters accounted for almost
13 \$1 billion. This points out the potential
14 for what could be, if more markets had
15 reasonable access.

16 Our company has been involved in
17 opening international markets since we
18 opened our first beef plant in western Iowa
19 in 1961. We started by exporting just a few
20 items to Europe. The export business grew
21 rapidly, and in the mid '70s we opened a
22 sales office in Europe. Today we have

23internationalofficesinEngland,Japan,

24Korea,Taiwan,China,Mexico,Canadaand

25Russia,whileexportingproductstomore

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0030

1than50countries.

2IBPexportsboxedbeefandboxed

3pork,aswellasalliedproductssuchas

4cattlehinds,pigskins,tallow,bonemeal,

5gelatinbone,ediblemeatssuchaskidneys,

6liversandtongues,andallfourmeats

7destinedforthepetfoodindustry.

8Beef,whichgenerates80percent

9ofoursales,remainsthelargestsegmentof

10ourexportbusiness.Since1990ourexport

11saleshavedoubled.Lastyeartheytotaled

12\$1.6billion,or30percentofIBPnet

13sales.Theexportsalesreachedonemillion

14metrictons,or16.5percentofthetotal

15IBPsales.

16TheFarEastisbyfarourbiggest

17forumofIowaboxedbeefandboxedpork.

18Ourfocusandcommitmenttothispartofthe

19worldwillcontinuetoincreaseandexpand

20intheyearsahead.IBP'sandthe

21industry'slargestexportmarketintheFar

22EastisJapan.Ourcommitmenttotheexport

23marketscanbeseeninoureffortsto

24custom-fabricatebeeffortheAsian

25markets.

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1 For example, our plant out of
2 Dakota City, Nebraska, beef complex has been
3 designated as IBP's export plant. It
4 produces a variety of export-style beef cuts
5 in accordance with the requirements of four
6 Japanese, Korean, and Chinese customers.
7 Another example is a joint venture with Nipo
8 meat packers, Japan's largest meat company.
9 Since March 1995, our pork plant
10 in Perry, Iowa, has been producing pork cuts
11 according to Nipos specifications. Similar
12 developments are being implemented for
13 export markets close to home, mainly Canada
14 and Mexico.
15 As you know, the changing world
16 marketplace has created tremendous
17 opportunities, as well as challenges, for
18 our industry. In order for export to
19 increase, something will have to change.
20 The European community, for example,
21 continues to be a market of limited access.
22 The EU's ban on beef produced with growth

23promotantsiscostingbeefproducersinthe

24U.S.100sofmillionsofdollarsayear.

25Duringthepastdecade,theEUhasnotbeen

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1abletoprovidescientificallvalidreasons
2fortheban.WhiletheU.S.beefindustry
3haswonallroundsandeffortstorequire
4theEuropeanUnionto complywith
5internationaltradingrulesontheban,the
6issueremainsresolved.

7WeencouragetheUSDAandUSDRto
8continueeffortstopreemptEuropean
9strategiesandgainaccesstotheEuropean
10market.Inthisareaofglobalmarkets,
11soundsciencemustbeupheldasthebasis
12fortradeagreements,iftheseagreements
13aretobefair.Wealsoencourageyoutobe
14proactiveasitrelatestoeasternEuropean
15countriesandRussiasincethesecountries
16seemtobeintheprocessofduplicatingEU
17standards.

18Onceagain,wethankyouroffice
19foryoureffortsonthematterinthepast
20andencourageyoutomaintaintheminth
21future.

22BusinesstoJapanremainsstrong,

23whileexportstosalestoKoreaandTaiwan

24increasinglygrowbiggerandbigger.We

25encourageyoutocontinueeffortstoremove

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0033

1anytradebarriersand/orreducetariffs
2thatprohibitourabilitytodobusinessin
3thesecountries.Greateraccessmeans
4increasedprofitpotentialfortheU.S.meat
5industry,packers,andlivestockproducers
6alike.TheU.S.isoneoftheworld'smost
7efficientproducersofhigh-qualitymeat
8products,andinafreemarketenvironment,
9canbeextremelycompetitive.
10Asyouknow,Chinawantstobecome
11aWorldTradeOrganizationmember.
12NegotiationswiththeChinesehavealready
13resultedinasignedagricultural
14agreement(inaudible)thatcouldlower
15tariffsandexpandaccesstotheChinese
16market.WeencouragetheUSDAandtheUSDR
17toseethatmeatindustryinterestsare
18consideredduringnegotiationswithChina.
19IBPandallthemembersofour
20industrycontinuetoseegreatpotentialfor
21businessinChina,giventhecountry's
22populationofmorethanonebillionpeople.

23MR.BLOUIN:I'llaskyoutowrap

24itup.You'reaboutaminuteoveralready.

25MR.ANDRIESSEN:Oneofthegoals

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0034

1forthenextWTOroundsofnegotiations
2shouldbeanacceptancebyallWTOMembers
3thatstrict,science-based(inaudible)
4shouldnotbeweakenedordiluted.
5Restrictionsonaccessforsanitaryor
6phytosanitaryrulesmustbebasedon
7science,andthosethatarenotmustbe
8removedinaccordancewiththeWTOdispute
9settlement.Itwillalsobeimportantfor
10Russiatobebroughtundertherulesofthe
11WTOasoonaspossibletoensurethat
12marketpotentialisbeingmet.
13Inclosing,letmeemphasizethat
14beefandporkexportsarekeycomponentsof
15totalredmeatdemands.Theyplayan
16increasinglyimportantroleinthemeat
17industry'swell-being.Inorderforthis
18industrytocontinuetothrive,especially
19hereintheHeartland,webelieveit's
20crucialournationcontinuetoaggressively
21worktogainaccessinthemergingmarkets
22andtoexpandaccessinexistingmarkets.

23Thankyouforyourconsideration.

24MR.BLOUIN:Bill.

25MR.MENNER:Thankyou,Secretary

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1 Judge, distinguished members of the
2 listening panel, guests, and fellow members
3 of the international trade community. My
4 name is Bill Menner, and I'm a
5 representative of the Iowa Trade. It's a
6 coalition of about 100 individuals,
7 organizations, and businesses, all of which
8 have a vested interest in international
9 trade and reduced barriers in open markets.
10 The Iowa Trade network is
11 actively working on behalf of the
12 initiatives that will reduce trade barriers
13 overseas while opening new markets to Iowa
14 producers. That includes extension of
15 global trade relations status to China, as
16 well as China's admission to the World Trade
17 Organization.
18 Some of our Iowa Trade members
19 are manufacturers with no obvious ties to
20 agriculture. Maytag is a pretty good
21 example. They want open markets and reduced
22 barriers so they can enhance their profits,

23buttheyalsoknowthatIowa'sagribusiness

24sectorhastoflourish,andtodoso,these

25manufacturersknowthatastrongageconomy

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0036

1isgoodforeverybusinessinthestate.

2Agribusinesses,likeDiamondV

3MillsinCedarRapids,arelookingtoexpand

4intonewmarkets.Theyhavehadaglobal

5visionforyears.They'rerecognizingthe

6importanceofinternationaltradeandthe

7billionsofdollarsinnewbusinesssthatit

8canmean,buttheyhavealsohadtoconfront

9unfairexportsubsidiesthatbenefittheir

10foreigncompetitors,detrimentalbreachesof

11existingtradeagreements,andeven

12occasionalinternalpoliciesstifle

13theiropportunitiesabroad.

14IowagoTradealsohasitsfamily

15farmerslikeConradLawler.Iowaproducers

16arefacingrock-bottomcommodityprices

17rightnow.They'reluckytobreakevenwith

18thepricesthey'regettingforcorn,beans

19andhogs.Theseproducershavelong

20understoodthepotentialimpactofforeign

21marketsontheirabilitytosurviveandto

22thrive.GenerationsofIowafarmershavede-

23lookedoverseasfornewmarkets.Theytoo

24havehadtoconfrontbarrierafterbarrier,

25andnowwithnofederalsubsidiesavailable

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0037

1tohelpthesefamilyfarmerssurvive,it's
2criticalthatthefederalgovernmenttakeup
3theirfightlaterthisyearinSeattle.
4Intheshortterm,beforemore
5than134WTOmembernationsevgather,the
6UnitedStatesCongressmustextendNTRto
7China.It'samarketwith1.2billion
8people.It'salreadytheUnitedStates'
9fourthlargesttradingpartnerwithtrade
10worth\$14billionand200,000jobshanging
11inthebalance.AndaccordingtotheCensus
12Bureau,IowaexportstoChinalastyear
13alonewereworth\$32million.NTRforChina
14mustbeextended,andChinamustbeadmitted
15totheWorldTradeOrganization.
16ImagetheimpactonIowa
17businessandtheU.S.andtheworld
18communityifsuccessfulinengagingChina
19economically,andimaginetheimpactonthe
20worldsecurityaswell.
21Whentheextroundoffarmtalks
22begininSeattlelaterthisyear,theU.S.

23mustgo inwithaunifiedvoiceanda

24commitmenttoprotectingthefortunesofits

25farmers,itsagribusinesses,andits

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1 manufacturers. It must demand a level

2 playing field for U.S. producers, including

3 a reduction of domestic internal

4 agricultural subsidies, the reduction of

5 import tariffs on agricultural products, the

6 elimination of nontariff or artificial

7 barriers to trade, and the elimination of

8 export subsidies.

9 And after negotiators reach their

10 agreements in Seattle, the Congress must

11 grant the President fast-track trade

12 authority. This is a critical tool that

13 would benefit businesses in Iowa and across

14 the United States. The President must have

15 that authority.

16 Thank you for the opportunity to

17 speak on behalf of the Iowa Trade Network,

18 and thank you for your willingness to listen

19 to the concerns of average Americans with

20 global interests.

21 MR. BLOUIN: Gretta Irwin.

22 MS. IRWIN: On behalf of the Iowa

23TurkeyFederationandIowa'sthreeturkey

24processors,Ithankyoufortheopportunity

25topresentourrecommendationson

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0039

1agriculturetradeprioritiesforthenext

2roundoftheWorldTradeOrganization

3negotiation.

4TheU.S.poultryexportsoverall

5havegrowntremendouslysince1990.In

61990,exportsaccountedforonly1percent

7ofthetotalU.S.turkeyproduction.Today

8over10percentofthetotalproductionis

9exported.Thedesireformorewhitemeat

10productsinAmericahasmadethepricefor

11darkmeatproductsdepressed.Mostofthe

12turkeymeatexportedisdarkmeat,since

13thatiswhatourtradepartnersprefer.

14Beingabletosupplythemwiththeir

15preferredchoicehelpsthebottomlinefor

16theturkeyindustry.

17Duringthepastnineyearswehave

18hadsomebumpsintheroad.Turkeyexports

19havedeclinedsincetherecordlevelsof

201997.DuringJanuary,Februaryof1999,

21turkeyexportswere6percentbelowthesame

22periodin1998.TurkeyexportstoRussia

23and eastern European countries were down

24sharply; however, some markets were

25stronger. Exports to Mexico were nearly 4

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1percentabovealreadyhighlevelsoflast
2year,andMexicotook52.6percentofall
3U.S.turkeyexportedduringtheJanuary,
4Februarymonthsof1999,comparedwith42.5
5percentayear earlier. Also, exportsto
6SouthKorea,TaiwanandChinawereup
7sharplywhilethosetoHongKongwerelittle
8changed.

9Iowahasthreeturkeyprocessing
10plants:WestLibertyFoodsinWestLiberty
11isaproducer-ownedvalue-addedco-op;Iowa
12TurkeyProducersinPostvilleisan
13independentlyheldcompany;andBil-Mar
14FoodsinStormLakeispartoftheSaraLee
15corporation.Allthreeturkeyprocessing
16plantsexport.Followingaresomeofthe
17issuesathavehinderedtheirabilityto
18exportmoreturkey:

19Weneedtoestablishstrong
20sanitaryandphytosanitaryrules.TheWorld
21TradeAgreementontheapplicationof
22sanitaryandphytosanitarymeasuresmaybe

23reopenedbytheEuropeanUniontotrytofix

24perceivedefficiencies.TheEuropeanUnion

25canbeexpectedtotrytointroducea

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1provisionthatwouldpermitcountriesto
2justifyfoodsafetyorotherregulationson
3socialratherthanscientificrounds.If
4thisconceptweretobelegitimized,many
5productscouldbebannedinresponseto
6nothingmorethandomesticpolitical
7pressures.Inmanycases,countriesuse
8theserulesarbitrarilyasprotectionism
9measures.TheU.S.shouldstaunchlyoppose
10anysanitaryregulationsbasedonanything
11otherthansoundscience.
12Forexample,currentlyMexico
13requiresthatallturkeyimportsbe from
14flockthataredeemedfreeofAvian
15Influenza.Ourprocessorsfilloutthe
16formsandcomplywiththis,butthishas
17addedahighcompliancecosttotheirexport
18andhasnoscientificbasisforsucha
19requirement.We havetoestablishrules
20regardinggeneticallymodifiedproductsthat
21arebasedonscience,notonemotion.This
22ispotentiallythemostseriousissueonthe

23tabledduringtheupcomingnegotiationsin

24thatmuchofourpoultryisfedrationismade

25fromcorn,soybeans,wheatandotherraw

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1 materials grown in the United States from
2 genetically modified seeds. If the European
3 Union ends up banning the grains and the
4 foods containing genetically modified
5 foods--orexcuse me, modified grains, this
6 could eventually include meat and poultry.
7 The inability to test the meat for
8 proof that they were fed a GMO will make
9 this very difficult for our industry to
10 police. Even though the U.S. turkey is not
11 allowed into the European Union currently
12 because of their ban on chlorine in our
13 rinse water, we are afraid that other
14 countries could be influenced by these
15 European actions which would have a
16 detrimental effect on our poultry exports.
17 The industry also will benefit by
18 reducing import tariffs on poultry,
19 eliminating export subsidies, and
20 eliminating internal price supports. Our
21 processors also need one uniform form to
22 fill out for all exports. The paperwork

23neededtoexportlackscontinuity.Our

24processorstrytokeepupwithallthe

25differentrequirementsforeachofthe

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1 countries, but when paper errors do occur,

2 their loads are often cut back.

3 They also need the ability to

4 allow already shipped product into countries

5 that have erected a trade barrier. Product

6 has been allowed--excuse me, product has

7 not been allowed to enter a country because

8 a trade barrier has been erected by that

9 country after a product has been sent.

10 Assistance in getting that product into the

11 country is then needed.

12 This concludes my comments. Thank

13 you for the opportunity to present the

14 issues of the Iowa Turkey Producers and the

15 processors industry.

16 MR. BLOUIN: Jim.

17 MR. CARROLL: My name is Jim

18 Carroll, and I serve on the staff of Dairy

19 Farmers of America. I first want to thank

20 you, the USDA, and the USDR for this forum

21 to express our comments regarding world

22 trade. I also want to thank the members of

23the listening panel for their time to

24participate in this event.

25Dairy Farmers of America is a milk

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0044

1marketingcooperativeheadquarteredin
2KansasCity,Missouri,representingover
318,000dairyfarmermemberownersin45
4states.Wearepleasedtoappearbeforeyou
5todaytotestifyonthetopicoftheDFA's
6agriculturaltradeprioritiesforthe
7upcomingWTO negotiations.DFAisalsoa
8memberoftheU.S.DairyExportCounciland
9theNationalMilkProducersFederation,and
10alongwiththoseorganizationsarecommitted
11toexpandingexportsofU.S.dairyproducts
12throughreductionofforeigntradebarriers
13andothermeasuresthatdistort
14internationaltradeinmilkanddairy
15products.

16TheU.S.dairyindustryisthe
17secondlargestagriculturalcommoditysector
18intheUnitedStates,measuredbyfarmcash
19receiptsof\$20billionperyear,andisone
20ofthetopthreeagriculturalsectorsin
21fullyhalfofthe50states.Inaddition,
22dairyprocessorsputtheannualretailvalue

23oftheirindustryat\$70billionayear.

24Despiteitslargesizedomestically,our

25industryisarelativenewcomerto

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0045

1 international trade.

2 What we have learned in our

3 relatively short export history is that

4 American dairy products can and do perform

5 successfully in markets where there is a

6 level playing field and where

7 trade-distorting practices do not hamper our

8 ability to compete. In fact, the industry's

9 slow and difficult emergence internationally

10 stems from the fact that dairy is one of the

11 world's most protected and subsidized

12 industries.

13 When the Uruguay Round was

14 deadlocked over agriculture, the U.S. dairy

15 industry made many key concessions so that

16 an agreement could be reached. We also

17 recognized that GATT negotiations had never

18 attempted to control that kind of level of

19 agricultural subsidies, and most of the

20 rules were brand new. Today, agriculture

21 has a history in the WTO and we must ensure

22 that the next round serves first to revise

23therulesthathavenotworked.

24Bythesametoken,thedairy

25industryisverysupportiveofthis

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1administration's effort to further reduce

2trade-distorting practices in agriculture.

3We are prepared to do our part to accomplish

4that goal; however, both dairy producers and

5dairy processors fervently believe that we

6must first level the playing field with

7respect to subsidies and market access

8between the U.S. and other WTO member

9countries, especially the EU, Canada, and

10Japan.

11Obviously the next round must

12build on the accomplishments of the Uruguay

13Round. The U.S. dairy industry strongly

14supports the next round of WTO multilateral

15negotiations and believes that the U.S.

16should focus on these four priorities:

17First, the elimination, by date

18certain, of all remaining use of dairy

19export subsidies.

20Export subsidies are extremely

21common in world dairy trade. When the

22current WTO agriculture agreement is fully

23phasedinnextyear,itwillstillpermit

24almost60percentofprojecteddairyworld

25tradetobesubsidized.Andthe

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1 distribution of these subsidy allowances is
2 highly skewed. On a milk equivalent basis,
3 the EU accounts for fully 72 percent of
4 these subsidy allowances, while the U.S.
5 accounts for just 3 percent of them.
6 The use of export subsidies is the
7 primary factor that keeps world dairy prices
8 depressed below domestic prices and hobbles
9 the expansion of sustainable commercial U.S.
10 dairy exports.

11 Secondly, we believe that
12 substantial increases in real access through
13 reduction of remaining trade barriers to
14 U.S. dairy exports must take place.

15 Let me give you some examples of
16 the kinds of barriers American dairy
17 producers face. The European Union, the
18 world's largest dairy market, is able under
19 its WTO commitments to impose tariffs at a
20 rate of about 240 percent against all but
21 very limited quantities of cheese, an
22 important U.S. dairy export product.

23The U.S. also maintainstariff

24barriersagainstdairyimports,butnotat

25levelsashighasthese.Moreover,all

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1 in-quota tariffs are low and provide real

2 market access.

3 This administration must first

4 guarantee that upon implementation of the

5 next WTO round, countries will cap ordinary

6 tariffs and harmonize tariff rate quotas.

7 The U.S. industry recognizes that it must

8 give access to get access, yet unless all

9 countries participate in tariff reductions,

10 especially the highly protected markets that

11 facilitate very high domestic prices through

12 both small quotas and very high over-quota

13 rate, the U.S. will remain the primary

14 market for lower cost suppliers.

15 In order for U.S. dairy producers

16 and processors to continue their support for

17 the concept of free trade, the U.S.

18 government, working through the WTO, needs

19 to work to promote fair trade. Future trade

20 negotiations cannot result only in

21 unilateral concessions made by our

22 government, and further opening of our

23market must bematchedwithenforceableand

24usableaccesstoevenmoreprotectedmarkets

25suchasCanada,EuropeanUnion,andJapan.

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1 Thirdly, we must pursue continued
2 reduction of all production-related domestic
3 supports.
4 The EU already produces up to 15
5 percent more milk than its domestic market
6 requires, and this large surplus drives its
7 continued heavy use of export subsidies.
8 We support the U.S. government
9 position to tighten the rules on domestic
10 support in order to ensure that rural
11 communities are not used to defend
12 production gluts that distort trade and
13 prices.
14 Lastly, we must establish improved
15 transparency and disciplines on the
16 trade-distorting effects on both import and
17 export state trading enterprises.
18 State trading enterprises provide
19 de facto export subsidies through their
20 ability to price-discriminate between high-
21 and low-value markets and their ability to
22 keep their transactions private. In dairy,

23theNewZealandDairyBoardisthemost

24conspicuousexample.

25U.S.dairyindustryfavours

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0050

1 negotiation of new commitments that would
2 require increased transparency in the
3 operations of both import and export state
4 trading enterprises, as well as disciplines
5 on the activities of state trading
6 enterprises that truly distort trade.

7 With regard to the new WTO
8 negotiations themselves, the U.S. dairy
9 industry supports structuring the
10 negotiations as a single undertaking
11 encompassing all sectors, as opposed to a
12 sector-by-sector approach. And it strongly
13 supports renewal as soon as possible of
14 fast-track negotiating authority to achieve
15 a timely outcome that further reduces
16 distortions to international dairy and
17 agricultural trade.

18 I appreciate the opportunity to
19 testify, and thank you for your time and
20 look forward to answering questions.

21 MR. BLOUIN: Steve.

22 MR. ERDMANN: Members of the

23panel,it'sagreatopportunitywehaveto

24testifybeforeyou.Weappreciateyou

25holdingthissessionforusonthisvery

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1importantmatter.

2MynameisSteveErdman.I'man

3agricultureproducer.Ifarkinwestern

4NebraskanearthestateofWyoming.Igrow

5GreatNorthernbeans,cornandalfalfaon

6700irrigatedacres.Ialsoserveonthe

7boardofdirectorsofFarmlandIndustries.

8FarmlandIndustriesisthe

9nation'slargestfarmer-ownedcooperative.

10Foundedin1929,weareafederatedco-op,

11andourmembershaveover1,700cooperative

12partnersandhave600,000farmer-ownedor

13members.Thosemembersmakeupthe

14cooperativesystem.Farmlandhasmajor

15businessunitssuchasfertilizer,meats,

16grain,feeds,petroleumandshipping.

17Focusedonmeetingtheneedsof

18tomorrow'sconsumers,Farmlandhasadopted

19businessstrategiestomeetthedemandof

20theglobalconsumerasacooperative.

21Thefutureeconomicwell-beingof

22Americanagricultureiscloselytiedtoour

23competitivenessintheexpandingglobal

24market.Theimportanceoftradetothe

25futureofAmericanagriculturehasbeen

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1emphasized in the 1996 farm bill. With a
2reduction in support of U.S. farm programs,
3U.S. producers will depend on exports for
4more than 35 percent of their gross receipts
5by the year 2003. U.S. trade policy must
6reflect a strong commitment to the expanding
7world market.

8The importance of trade is
9underscored by America's shrinking share of
10the world's population. Americans now
11comprise only 4 percent of the world's
12population and are experiencing minimal
13population growth, while many of the
14countries that we trade with are
15experiencing significant population growth.
16To add to this phenomenon is the growth
17strength of the middle class in these
18countries. The power of the emerging middle
19class worldwide made up of consumers with
20the ability to ship their consumption
21patterns have become a critical factor
22driving consumer markets.

23In India, for example, there will

24be 115 million new members of the middle

25class by the year 2005. In China, there

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1willbe196millionmorenewmembersofthe
2middleclassbythesameyear.Thesemiddle
3classconsumersaroundtheworldrepresenta
4bloomingpotentialforthemarketofour
5agriculturalproducts.

6TheFarmlandssystemhasdeveloped
7abusinessstrategyfocusedontappingthe
8potentialofemergingworldmarkets.During
9thepastsixyears,theFarmlandssystem
10internationalsaleshavegrownfromless
11than200milliontoover4.1billioninjust
12sixyears.InMexico,sincethepassageof
13theNorthAmericanFreeTradeAgreement,or
14NAFTA,ourtradehasincreasedfromless
15than50millionin1992toover450million
16in1998.

17Asyoupreparefortheupcoming
18traderoundthisNovemberinSeattle,
19Washington,pleaseconsiderthefollowing
20itemslistedbelow:Eliminationofexport
21subsidies,tariffsmustbefurtherreduced,
22statetradingenterprisesmustevolveto

23fulltransparencyandeventuallytofree

24marketentities.The rulesgoverning

25sanctioningandfinalsanctionarymeasures

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1 must continue to be strongly based on sound
2 science and risk assessment. Assure trade
3 in genetically modified organisms is based
4 on fair, transparent, and scientifically
5 acceptable rules and standards.
6 Negotiations should be comprehensive with
7 the use of expedited actions and timeliness
8 with a single undertaking during the next
9 round of negotiations. And finally, dispute
10 settlement mechanisms must be short and
11 there must be an end to the process. If
12 countries are permitted to disregard dispute
13 settlement findings, producers will have no
14 confidence in a multilateral trading
15 system.
16 Again, thank you for the
17 opportunity to appear before you today and
18 comments for the upcoming trade talks.
19 American farmers, ranchers and
20 agribusinesses are growing more and more
21 dependent on the international trade for
22 their livelihoods. It is becoming

23increasinglyimportantfortheU.S.

24governmenttohaveatradepolicythat is

25stronglycommittedtoexpanding

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0055

1 opportunities for the American farmers,

2 ranchers, and businesses. Thank you.

3 MR. BLOUIN: Thank you very much.

4 Comments from our listening panel?

5 Questions?

6 MR. ACETA: I have a question for

7 Mr. Andriessen.

8 You had mentioned problems that we

9 need to pay attention to what's happening in

10 eastern Europe and the Soviet Union,

11 performance of the union. Was your point

12 there about growing tariffs because of trade

13 arrangements or more in terms of them

14 starting to adopt the European regulatory

15 model?

16 MR. ANDRIESSEN: Well, basically

17 is several reasons. The main thing right

18 now is primarily from a veterinary

19 inspection system. Obviously, we've been

20 out of the market for a little bit over ten

21 years now, starting with inspection system

22 then became a whole new industry.

23 We see the same things happening

24 in (inaudible). We're afraid that this will

25 extend itself into other European countries

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1aswellasRussia.

2MR.ACETA:Andtoanextentis

3theimpending,I'mtoldsoon-to-be-completed

4U.S.veterinaryequivalencyagreementgoing

5totacklesomeofthoseproblems?

6MR.ANDRIESSEN:Thatparticular

7agreement,youknow,theyhaveongoing

8negotiationsforthepasttenyears.Tomy

9knowledge,developingbeefandporkthere

10areatotalofaboutfivetotenplants

11areapproved.Soiftotalequivalencywould

12bereachable,thatwouldhelp,butitstill

13requiresapprovalofthoseplantsthathave

14noexportfortenyears..Sothat,again,

15couldbeaverylengthyprocess.

16Aslongaswecanavoidthetime

17that'sinvolvedwiththeinspectingofthese

18plants,we'llbeokay.Ifnot,that

19would--thenweallexperiencethesame

20thatwe'vehadforthelast10,15years.

21MR.BLOUIN:Well,Ithankour

22panelforyourwordsofwisdomandyou're

23dismissed.Thankyou.Wewillbeginwith

24ourcommentsfromtheaudience.Wehaven

25peoplewhohavesignedup.Thefirstone

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1I happen to be a name I may have trouble

2pronouncing, Phil Huenke. Are you here?

3Larry Green. Behind Larry will be Mark

4Uckert.

5MR. GREEN: My name is Larry

6Green, and thank you for being here.

7I have several questions to ask.

8One is on the Residential Advisory Economy

9for Trade Policy and Negotiations Act. I

10see that there's no farmers on that list.

11Why? You can answer these questions at a

12later date.

13The second question in the

14agreement on agriculture, part 11, committee

15on agriculture, has that ever been

16appointed?

17And then in the annex two,

18domestic support, the basis for exemption

19from the reduction of commitments. Number 6

20especially, decoupling income supports.

21Number 3 is a world trade

22implementation report. Explain these seven

23waysorthesevenkeyrecommendations.What

24aretheygoingtodoforthetheaveragefarmer,

25theonethatproducestherawproduct?

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1 Number 4, the U.S., China signed a

2 bilateral agriculture agreement. As a

3 farmer that raises the raw product, what's

4 in it for us, or is it just more

5 agribusiness?

6 And then number 5 is just a

7 comment. In the last ten years, according

8 to Senator Jordan from North Dakota, 50

9 percent of the farmers have been displaced

10 from the land. The Clinton Administration

11 is in the seventh year. Think it's about

12 time he does something? I mean, I listened

13 to the panel here before. I mean, it's

14 great guns for these people. Where's our

15 share of this trade? We're the one that's

16 taking the hit. It's getting gold, boys. We

17 have to make a living too. We're part of

18 this country, and there isn't no level

19 playing field.

20 When I get up in the morning, my

21 feet hit the floor, I got expenses to make

22 in this country before I can do business.

23TheChinese,whenhisfeethitthefloorin

24themorningandhe'smakinganaveragewage

25ofwhat,eight,tencentsanhour,howcanI

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0059

1 compete with that? What is he going to buy

2 that I'm producing? Do my prices have to

3 get that low that I got to compete with him

4 in the world market?

5 The United States has military

6 people in 77 countries. That's a direct tax

7 to us. At the height of the Roman Empire

8 they only had troops in 72 countries. I

9 mean, that's a big expense. We pay that.

10 We buy tires, gasoline. We pay hidden taxes

11 all day long to compete in this world.

12 There ain't no level playing field out

13 there.

14 Thank you.

15 MR. BLOUIN: Mark Uckert. After

16 Mark will be Elmo Romens.

17 MR. POWERS: I'm Jerome Powers.

18 Mark Uckert can't be here today so I'm going

19 to take his times slot there. I got a story

20 to tell you, and I hope you listen.

21 I wholly question where the

22 quality and justice lies in the ag industry

23today.Becauseofcorporategreed,myway

24oflifeandthewayoflifeforfive

25generationsbeforemeisbeingtakenfrom

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0060

1 me. I, as a citizen of the United States,
2 no longer have the opportunity to pursue a
3 career in the ag industry as a producer.
4 For five generations my family has
5 worked at providing food for the people of
6 the U.S. to make a living. That way of life
7 is no longer economically possible. In
8 doing this, I feel my culture is being
9 stripped from me. Where are my
10 constitutional rights which tell me I have a
11 right to pursue my dreams and my ambitions?
12 Collective farming did not work in
13 Russia. Why should the U.S. be so naïve as
14 to think it should work here? If I worked
15 at raising crops and there isn't any
16 incentive to achieve or prosper, then there
17 will be no drive for me to do better. It
18 won't matter if I raise 10 bushel corn or
19 100 bushel. All a person will want to do is
20 fill in time.
21 I have a four-year-old son who
22 lives and dreams of tractors, livestock,

23farming.HowamIsupposedtoencouragehim

24inafieldwherenofutureexistsforanyone

25whoreachesofage?Idonotfeelthisis

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1right, and if our government can't help us,
2then God have mercy on our souls. Things
3are going to change rapidly, and not to our
4liking.

5I do not wish to fight the
6government, but I am asking for their help.
7Please help us. We cannot fight these
8corporations by ourselves.

9Have you people ever looked in a
10four-year-old's eyes? The unconditional
11love that's there and the trust in their
12father that he's going to give them the time
13and the way to grow up to be just like Dad.
14I've given my blood, my back, and my sweat
15for this country and for my family. Does
16corporate America have to take my dignity
17too?

18Our backs are against the wall.
19It's no longer talking about it. It's time
20to do things, come up with solutions. Let's
21fix this problem. I'm willing to help, and
22I have to keep a level head. I cannot let

23angertakeover.AllIcanaskisplease

24helpus.

25Thankyouforyourtime.

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0062

1MR.BLOUIN:Elmo.StanZylstra,

2you'rebehindElmo.

3MR.ROMENS:Thisismyfirsttack

4atsomethinglikethis.MynameisElmo

5Romens.Iwasbornonadairyfarmin

6Wisconsin,movedtoIowafromWisconsin,

7operatedameatbusinessforabout25

8years.Iwentthroughinthatbusiness

9(inaudible)whichthefarmersaregoing

10throughtoday,butIwouldliketomakea

11presentation(inaudible).

12Ifanyonetellsyouthatarising

13DowJonesstockmarketindexprovesthatthe

14U.S.economyisgrowing,yourreplyoughtto

15be:"Oh,youmeanthatthecanceris

16growing.Tellme,Doctor,howisthe

17patientdoing?"

18Thecanceristhefinancial

19bubble.Thepatientistherealeconomy

20whichincludesagriculture,industryand

21infrastructure.Itistimetotellthe

22truth.Thereisnoeconomicrecovery.

23ToquotefromSchillerInstitute

24founderandDemocraticPartyPresidential

25PrecandidateLyndonLaRoucheinarecent

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1 release, The Economic I.Q. Test: "Look at
2 the family farms which used to feed us.
3 Look at the towns, where former productive
4 industries have long vanished under the
5 impact of Carter's deregulating of
6 transportation, and all other disastrous
7 structural reforms."
8 All of these and related
9 fiscal-economic considerations touch
10 evidence plainly within the reach of four
11 sense perceptions. For more than 90 percent
12 of four U.S. population, the condition of
13 life and level of productivity become
14 worse, and yet, many of the people having
15 these sense perceptions speak of the growth
16 of the U.S. economy. Such people are like a
17 shopper who says, "I don't worry about the
18 farmer. I get my milk from the
19 supermarket." They have literally left
20 their senses behind. For them, the
21 important thing is money.
22 This is the cause of the crisis in

23the U.S. agriculture which is unparalleled

24in the postwar period, since the

25introduction of modern mechanized farming.

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1 Millionsoffamilyfarmershavetheendbeen driven

2 offtheirlandoverthelast20to30years

3 bythecrushingburdenofmountainsofdebt

4 andcriminallylowprices,oftenat50

5 percentormorebelowtheparityprice.

6 Thisisadisasterforournationandfor

7 theworld,whichissufferingfroma

8 genocidalglobalfoodshortage.

9 Anyonewhotalksofso-called

10 overproductionoffood,andhereIinclude

11 thebureaucracyoftheWTO,atatimewhen

12 therearealmost900millionpeoplegoing

13 hungryaroundtheworldisatbestan

14 ignorantfool,andinmanycasesaconscious

15 genocidalist.

16 ThekeypointImakeisthat

17 disasterisbothdeliberateandentirely

18 unnecessary,buttobereversedmustbe,and

19 Iemphasize,mustbeunderstoodinthe

20 contextofthecurrentterminalworld

21 financialcrisis.

22 Mr.LaRouche'spamphletgoeson to

23 explain how the conscious policies of

24 institutions such as the Federal Reserve,

25 the IMF and the World Trade Organization

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0065

1functiontolootrealwealthandthe

2remainingrealproducersinourfactories

3andfamilyfarmsonbehalfoftheBritish

4oligarchicandWallStreetfinancial

5interests.

6MR.BLOUIN: You're30seconds

7beyond,sotakeabout10to15towrapit

8up.

9MR.ROMENS: I'dliketojustread

10whatIgotJuly9th. Thereallysmartcrowd

11operatingfrombehindthecurtainsislonger

12tryingtosavethepresentworldfinancial

13systems. Theyputthedyingssystemona

14financialandpoliticallifesupportsystem

15justtokeepitalivelongenoughtorepair

16it, buryitinwayswhichvariousgroupsof

17high-levelinsidersthinkmightbetotheir

18long-termadvantage. Don'taskwhoisgoing

19toendupholdingthemoneyafterthesystem

20crashes. Instead,askyourselfwhois

21goingtohavethepoliticalpowertocreate

22moneyafterthepresentworldmonetaryand

23financialsystemsevaporates.

24MR.BLOUIN:We'llhavetostop

25youthere,andfeelfreetosubmityour

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1entire testimony. We'll have it all on the

2record. Thank you. Stan. Stan Zylstra.

3Carla Oleson follows you.

4MR. ZYLSTRA: Good afternoon. I'm

5Stan Zylstra, a farmer from Pella, Iowa,

6where I raise hogs and beef cattle as well

7as corn and soybeans. I also serve as

8chairman of the board of Land O'Lakes,

9Incorporated, which is a national

10farmer-owned cooperative based in Minnesota

11with extensive business activity in Iowa.

12I'm pleased to appear before you today to

13testify on the topic of agriculture trade

14priorities for the upcoming World Trade

15Organization negotiations.

16At our cooperative annual meeting

17in February, the members of Land O'Lakes

18endorsed the resolution on international

19trade. In that resolution we support the

20negotiating process as a strategy to gain

21greater access to export markets for U.S.

22farm products.

23As the first step to the next

24round of WTO agriculture negotiations,

25members of the Land O'Lakes support passage

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1offast-trackauthoritytoournegotiators.

2LandO'LakesalsosupportsadmittingChina

3totheWorldTradeOrganization.Chinais

4theworld'smostpopulouscountry,hasone

5ofthemostrapidlygrowingeconomies,and

6isamajorparticipantinworldtrade.

7Chinaneedstobepartoftheprocessnowin

8orderforhertohaveinputindeveloping

9theconsistentenforceable--and

10enforceablesetoftraderules.

11WecommendtheU.S.trade

12representative,USDA,andthenegotiating

13teamfortheagreementreachedwithChina

14thisspring.Whenfullyimplemented,the

15agreementwillresultingreatlyexpanded

16marketopportunitiestopork,dairy

17products,fertilizer,grainsandother

18agriculturalproducts,butmostofthe

19benefitsoftheagreementwillnotbe

20realizeduntilChinaisadmittedtothe

21WTO.

22Aswelookaheadtothenextround

23ofWTONegotiations,LandO'Lakesis

24committedtoparticipatingintheprocess

25andtoeachingasuccessfulagreementfor

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1 U.S. farmers in our food and agriculture

2 industry. Our primary focus is to open new

3 markets for livestock, dairy products, in

4 addition to increasing exports of corn,

5 soybeans, and other crops.

6 Our recommendations are in full

7 agreement with the priorities of the

8 National Pork Producers Council, National

9 Milk Producers Federation, and the U.S.

10 Dairy and Export Council, and we are active

11 members of these organizations.

12 Specifically we support the following

13 priorities: Elimination of export

14 subsidies, reduced internal agricultural

15 subsidies around the globe, reduced import

16 tariffs on agricultural products, and

17 elimination of non-tariff barriers to trade.

18 Export subsidies create artificial

19 rules and false economies. They cause gross

20 instability in the fundamentals of

21 production, economics, and are obstacles to

22 planning and operating an efficient

23productionssystem.

24Thebottomlineisthatnomatter

25howefficientIowafarmersare,wecan't

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1competewiththeforeigntreasuriesof
2nationsthathighlysubsidizetheir
3agricultureexports.Importtariffsmustbe
4eliminatedordrasticallyreducedinorder
5forU.S.farmerstohavefullaccesstofree
6markets.Areductionwillhelptolevelthe
7playingfieldandprovideequitableaccess
8tovaluablemarkets.Nontarifftrade
9barriersseemtoberisinginimportance.
10Thesesshouldnotbeanissuesincethe
11UruguayRoundAgreementincludedasanitary
12andphytosanitaryagreementthatprovided
13processforharmonizingworldstandardsand
14forbasingdecisionsonsoundscience.
15Thenewagreementsmustbemore
16forcefulinensuringthatworldstandards
17forfoodsafetyareadopted,andthatthey
18adheredtobyallparticipants.
19TheU.S.hasalreadyreduced
20internalagriculturalsubsidiesagreat
21deal.Itisnowtimeforourtradepartners
22tomatchoureffortsandtoimprovethe

23performanceandefficiencyoftheworldfood

24system.

25Insummary,themembersofLand

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0070

1 O'Lakes believe that U.S. farmers should
2 have the opportunity to produce and market
3 products in a spirit of the free markets and
4 based on equitable standards for all
5 participants concerned.
6 I sincerely thank you for offering
7 this opportunity to share our view. Thank
8 you.

9 MR. BLOUIN: Thank you. Carla
10 Oleson, followed by Paul Lang.

11 MS. OLESON: I'm going to ask you
12 a favor. I've been here since 9:30. I
13 missed the introduction of the panel, so
14 before I tell you who I am, and I know other
15 people must be in this situation, would you
16 just take a minute and tell us who you are.

17 SECRETARY JUDGE: We'll do this
18 very, very quick.

19 I'm Secretary of Agriculture from
20 Iowa, Patty Judge.

21 MR. GRAU: I'm Tom Grau, Deputy
22 Under-Secretary for the USDA.

23MS.STATTLEMAN:I'mMaryJane

24StattlemanwiththeKansasAg,Secretaryof

25Ag.

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0071

1MR.NEFF:I'mSteveNeff.I'm

2withtheU.S.traderepresentatives.

3MR.SAUNDERS:I'mJohnSaunders,

4theDirectorofAgricultureforMissouri.

5MR.ACETA:AndI'mPaulAceta

6fromtheDepartmentoftheState.

7MS.OLESON:Thankyouverymuch.

8MynameisClaraOleson.I'manational

9boardmemberoftheAllianceforDemocracy,

10whichistotheleftofLyndonLaRouche,a

11membershiporganizationwithchaptersin23

12states,andweareworkingtoensurethe

13restorationofeconomicandpolitical

14democracy.AndIfirstofallwanttothank

15youformeetinginoneofIowa'smost

16importantpublicplaces,ourState

17HistoricalSocietybecausethisisreallya

18tributetoourfeelingthatwehaveto

19preserveandgroundourhistorytomaintain

20thevaluesofourheritage.

21Thatheritageofindependent

22landowners,hardworkingmenandwomen,

23thoughthewomenseemtobemostabsent

24today,creatingopportunitiesfortheir

25childrenisnowinshamblesthroughoutthis

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1region. And so I want you to look beyond
2the waving corn stalks of green to see that
3Iowa is now 42nd in the nation in wages. A
4telemarketing firm, APAC, is the third
5largest private employer in the state, and a
6grocery staffed by teenagers, Hy-Vee, is the
7largest prime employer.

8Thomas Jefferson ideals are
9ill-served by nearly half of Iowa farmers
10who are tenant owners. We are exploited by
11IBP who takes \$5 million in public
12assistance to--under the Iowa Industrial
13New Jobs Training Program under various tax
14abatement policies, and yet does not
15consider this a subsidy, and who also
16tolerates double the worker injury rate in
17an industry which is already the most
18dangerous in America. IBP, by the way, in
19this region, Kansas, Iowa, etcetera, is the
20creator for immigration policy, not the
21state.

22Our problem in this region, among

23others, is price: The price of corn and

24soybeans we grow, the price of our labor,

25price of the hogs we raise. And we want to

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1 stop the corporate feeding frenzy of four
2 labor, our land, and our future. We are
3 wasted by the externalities of factory
4 farming. It's hogshit. It's 12-hour
5 workdays. It's campaign financing in the
6 political process. It's low wages. We are
7 ravaged by the continued demands for
8 corporate welfare and public assistance.
9 The Osterberg (phonetic) study in
10 Iowa showed that we give \$1 billion per year
11 in public assistance to corporations in the
12 state alone, either through property tax
13 abatement, tax incentives, loans and
14 grants. ADM milk, ethanol, Cargill with no
15 shame, and not even in attendance, ask them
16 about Eddyville.
17 Romanticized by the media, unknown
18 by the vast majority of Americans, Iowans in
19 the Midwest struggle. Wall Street, not Main
20 Street, is booming, and our pursuit of
21 happiness is fearful and doubtful of
22 success, especially for our children.

23Capitalistsaregoodatraising

24capital.Iftheyareattunedtoglobal

25excesscapacity,theirprofitsmightbemore

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1realisticallysecure.Ihavenoillusion
2thatcapitalistsareinanygreatshape
3thesedays.Theydonotmakedemocracy.
4LookatSingapore.Theydonotengender
5economicjusticeorequality.LookatBill
6GatesorMr.Greenspan'scronyrelationship
7withhedgefundoperators.Theydonot
8weaveasocialfabricofresponsible
9stewardshipandtrust.Lookatthefear,
10thefearweheardtodaytojustlabelabout
11GMOs.Thefearoftheconsumer.
12Andsoletme,asIseeMr.Blouin
13runningtothemike,letmeendbythis,
14thatgotoSeattle,enjoytheespresso,but
15behauntedbythevoicesofthethree-minute
16speakerstoday;therealcreatorsofwealth
17onthisearth,farmersandworkers,anddo
18notsleepatnightwithouttheirdesiresfor
19fairnessandequityweavingintoyourhearts
20andoursouls.Weexpectyou,therules
21negotiators,todonoless.Andifyouwant
22theacademicandthescholarlysupportof

23that,asfrommylawdegreeIknowyouwill,

24here'sthebox.Readit.Itisnotjust

25fortherecord.Itisforyoureducation

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0075

1aboutwhatisreallyhappeninghere.

2MR.BLOUIN:PaulLang.Paul

3Lang?GaryLamb.FollowingGarywillbe

4RepresentativeChicoine.IsPaulLang

5here?

6MR.LAMB:Letmefirstcommend

7andthankIowaSecretaryPattyJudgeforher

8involvementinhelping,Iguess,setthis

9processup.Ifullyunderstandher,beinga

10farmer,herunderstandingandherconcern

11aboutthepotentialtrainwreckinIowa

12agriculture.Sothankyou,Patty,andI

13hope,Tom,youtakebacktotheSecretaryof

14WashingtonoursincerethankyouinIowato

15himforhelpsettingthesemeetingsup,as

16wellasourcounterpartsfromtheveryheart

17oftheHeartlandfromMissouriandKansas.

18Wethankyouallfortakingtimeoutofyour

19scheduletobehere.

20Good,bad,orindifferent,likeit

21ornot,thetimesdictatewearelockedina

22globaleconomy.Andifyou'llrecognizeand

23admitthat,thenyoumustunderstandthatin

24theglobaleconomy,exportsandtradecanbe

25andmustbeavitalpartofagriculture's

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1 future. But yet as I say that, if one
2 person in this room, in this auditorium,
3 believes that exports, and exports alone,
4 will stop or stabilize the potential train
5 wreck that's heading for us, then we're all
6 living in a fantasy world. It can be part
7 of it, no question about it.
8 Earl Busback in the early '70s,
9 former Secretary of Agriculture, told us the
10 world is our market. We tried it. It
11 didn't work. We tried to gamble in the
12 latter '70s and early '80s, and we
13 experienced the most serious farm crisis
14 since the Great Depression, and now once
15 again within the framework are the flaws of
16 weaknesses of the Freedom to Farm. We put
17 our hope and our future again on exports and
18 exports alone. And once again, we're reseeing
19 that that kind of thinking has to be
20 fundamentally flawed.
21 So what I'm saying is we have to
22 have a long-term visionary domestic public

23policyinthiscountrytocomplimenttrade

24andexportopportunities.Ifwedon't,we

25aregoingtoloseahugepartofour

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1economic, social, and community rural

2infrastructure. Not only in Iowa, Patty,

3but in this country as well.

4There's an economist from

5California by the name of Steven Blank.

6He's written a book called The End of

7Agriculture, an American Portfolio. Haven't

8read the book, but I visited with him. He

9believes the trends in technology,

10communication, transportation, processing,

11dictate that we are giving up on the

12American farmer, and that at one point in

13time in the near future, we will become a

14major food importing nation rather than a

15food exporting nation. He believes the

16trends are telling him that a big share of

17our food will be produced on third world

18plantations because in a global economy,

19that global economy dictates that the low

20cost producers where land is the cheapest

21and that's where labor is the cheapest.

22We are already estimating that

23aboutathirdoffourlandandathirdoffour

24dairyproductsweconsumeisnowimported.

2550percentofthehamburgerBurgerKinguses

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1intheirrestaurant,fastfoodrestaurants,

2comesfromAustralia.Sowearealready

3importingabigshareofourfood.

4Now,I'mnotadvocatingbuildinga

5wallaroundourcountry.Iunderstand

6trade.Iunderstandifwe'regoingto

7exporttoanation,wehavetoimport

8somethingfromthem,butIalsounderstand,

9Ihope,thatifthere'swatercominginthe

10backdoorfasterthanyoucansweepitout

11thefrontdoor,I'msorry,you'regoingto

12drown,andIhaveafeelingthat'swhere

13we'reheadednow.

14MadamSecretary,theothernightI

15viewedthemovie"GrapesofWrath"basedon

16thenovelbyauthorJohnSteinbeck;took

17placeinthedustbowl oftheGreat

18DepressioninOklahoma,andIwouldhope

19thateverybodyinthisauditorium,ifyou

20haven'tseenitorhaven'tseenitalong

21time,youwouldviewitagainandremind

22yourselfofwhatignoranceandpowerand

23greedandthelackofpowerandvision,

24planning,andmaybewhatman'sinhumanityto

25hisfellowmancanreallybelike,andthen

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1ask yourself if now after over 60 years of
2farm programs that were designed to address
3the inherent weaknesses and vulnerabilities
4of agriculture, that were designed to
5address the terrible inequities that we saw
6way back in the depression era, if now once
7again we haven't returned to the days and
8the atmosphere that spawned the novel and
9the movie *Grapes of Wrath*.
10I fully understand the times are
11different, the technology is different, the
12people are different, some of the reasons
13are different, but the same end result.
14Thousands of good, decent people are being
15torn from the land, not because they failed,
16but because they do too good of a job. They
17have provided this nation and the American
18people with the widest variety of the safest
19food at the average lowest cost of any
20developed nation in the world.
21Now we have responded to the
22Freedom to Farm Act, the weather has

23cooperated, we produced huge surpluses, and

24there's no place for us to go with it. And

25the price, I'm afraid, Madam Secretary, the

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0080

1pricethisfall,we'renotgoingtoknow

2wherethebottomis.There'snowayof

3judgingwherethebottomisgoingtobe.

4We'regoingtoseearealbloodbathout

5here.

6Letmesimplyclosebyleavingyou

7allwiththisonethought:For nearly40

8years,NorrisElbertwasaneditorofa

9smalllocalnewspaperinnorthcentral

10Nebraska.For nearly40yearshespokeof

11valuesandvirtuesthatweredeeplyembedded

12inruralcommunities,andheoftenspokeof

13thevaluesnotonlythatwereoutthere,but

14ofthisspecialbond,thisspecial

15relationshipbetweenthealandthepeople

16wholiveonit;thoseofuswhoworkthe

17groundandtillthesoil.Andinhislast

18publication,andhislasteditorialandhis

19lastparagraphhecloseditwiththese

20words:"Ihavewatchedthebutterfly

21struggleagainstthewindsofthegale,and

22itsperformancegivesmehope,forifan

23insectcanovercomenature'smonumental

24struggle,thansurely,surelyhumansare

25capableofrecognizingandresolvingtheir

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1ownman-made mistakes."

2I would guess, ladies and

3gentlemen, that only time, good will-thought

4out public policy, and good, decent people

5like yourselves will ever accomplish Norris

6Elbert's prophecy. We are beyond time to

7choose; it's time to act. The choice is in

8your hands. All I urge you to do is choose

9wisely. And on something I am certain of, at

10some point in time, years or decades, no one

11 on this panel, or no one in this auditorium,

12 can ever attempt to make the argument you

13 were never warned of the impending crisis

14 that was coming to agriculture in rural

15 America.

16 Thank you, Madam Secretary, for

17 your time.

18 MR. BLOUIN: Following Roland will

19 be Helen.

20 REPRESENTATIVE ROLAND CHICOINE:

21 Thank you. Members of the committee, my

22 name is State Representative Roland Chicoine

23fromElkPoint, SouthDakota, andI'm--my

24sonthathastakenoverthefarmnowisthe

25fifthgenerationoffarming, andsoI've

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1been around a long time. And what I've--

2we've seen a lot of farm crisis.

3I remember my dad way back in the

4late '30s and early '40s, we had a severe

5farm crisis at that time. And it seems like

6we get a farm crisis coming at us just about

7every 10, 15 years we have a farm crisis. I

8remember in 1985 when we had a farm crisis

9of high interest rates. Our total body of

10legislators from South Dakota flew out to

11Washington to solve the problem, and I think

12we did some good out there at that time.

13Anyway, interest rates came down right after

14we were out there. So--

15And we're in a farm crisis right

16now that I don't think we're ever going to

17see the end of it because it's so severe.

18And what is happening--well, for instance,

19we got a lot of FFA people, high school kids

20around here and out in the hall. How many

21of you people know what FFA stands for?

22Future Farmers of America, and if we have

23thisfarmcrisisthewaywehaveitnow,

24they'renotgoingtobeanyfuturefarmers

25ofAmericadowntheroad.Andsowegotto

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1protect the whole program. And anybody and
2everybody who likes to eat, and we all do,
3you know, we gotta have them three meals a
4day it seems like, and so everybody who
5likes to eat should be interested in a good
6farm program, because if we don't have a
7good farm program, we're going to be told by
8the corporate America what to eat and what
9we're going to have to pay for our food.
10And we don't want that to ever happen. We
11would like to keep the agriculture in the
12hands of people and because of right now we
13have cheap food, and everybody can buy it
14and plenty of it. And if we put everything
15in the hands of corporate America, that
16won't be the case anymore.
17And so it's important that we--
18we take a good hard look and can--we can
19earn and learn by our past experience of
20what happened. And I'm sure if we all work
21and pull together, we can make sure that we
22have a good farm program and the--we'll

23havefarmersaroundforalongtimeand--

24becauseweliketoeat.Thewholeworld

25liketoeat.Andsothat'swhatwegotto

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1do.

2Thankyou.

3MR.BLOUIN:Thankyou.Helen

4Wall.

5MS.WALL:Thankyouforlistening

6toustoday.Iamanostrichfarmer.I

7liveinnorthCentralIowa.Iamamember

8oftheOstrichCo-opofIowa,a

9closed-marketco-opincorporatedherein

10Iowa.Ourostrichenterprisewasoneway

11thatmyhusbandandIchosetodiversifyour

12grainfarmtoimproveitsprofitability.I

13alsoamcurrentlypresidentoftheIowa

14OstrichAssociation.

15Worldtradeisveryimportantto

16theostrichindustryintheUnitedStates.

17AccordingtotheAmericanOstrich

18Associationfiguresin1998,about85

19percentofourmeatandhideproductionwas

20exported.Thiswassenttodestinationsin

21Europe,CentralandSouthAmerica,andthe

22PacificRimandSouthAfrica.Thesesales

23arecriticaltothecurrentlydepressed

24ostrichindustryintheUnitedStates.

25Recentlyothercountrieshave

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1beguntoimportostrichbreedingstock.

2I'vespokenwithanagentwhowasassembling

3ashipmentforKorea,andinthediscussion

4Ilearnedthatmanyofthepairsandtrios

5beingsenthavegonefromtheChicagoarea.

6I'msuretheyalsoaregoingfromthewest

7coast.

8Exportingbreedersshouldbea

9positiveinfluencefortheostrichindustry,

10atleastintheshortterm.Asthese

11breedersbecomeproductiveinother

12countries,though,weaskthattheWorld

13TradeOrganizationmonitorhowthat

14productionmayaffectUnitedStates

15markets.AndIencourageyoutodoallthat

16youcantonegotiateopenmarketsandfair

17tradingpracticesforthatinthefuture.

18In1996SouthAfricafloodedthe

19UnitedStatesmarketwithmeatandhides.

20Itsentourpricesintoa downwardspiral

21fromwhichwe'venotyetrecovered.Asan

22example,agreenhide,thisisthefreshoff

23the bird, in 1996 was valued at about \$250

24each. During part of 1997 there was no

25demand and no sales for hides in the United

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1 States. So producers could not sell their

2 hides.

3 Today prices have climbed back

4 into a range of between 40 and \$75 for good

5 quality green hide. We would not like to

6 experience such a negative market again.

7 Domestically grown ostrich are

8 produced without drugs or hormone

9 additives. The ostrich is a grazing

10 animal. It's raised in a free-range

11 environment. On our farm last year we

12 produced animals that would yield about 2100

13 pounds of boneless red meat on only 2 and a

14 half acres.

15 I think the industry is well

16 positioned for the world market, and I

17 encourage the World Trade Organization to

18 consider the ostrich industry in its

19 negotiations.

20 Thank you for listening.

21 MR. BLOUIN: Thank you. I'd like

22 to invite our fourth panelists-- or our

23panelistsforthefourthpaneltoplease

24comeforward.Withoutriskingmassexit,

25maybeIcouldaskyoufolkstojuststretch

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1 your legs for 30 seconds before we go into

2 it. David Reiff, Reiff Grain and Feed

3 Company; Dr. Ramesh Kanwar from Iowa State

4 University; Blake Hurst, Missouri Farm

5 Bureau Federation; and Tony Clayton, from

6 the Clayton Agri-Marketing Corporation.

7 MR. REIFF: My name is David

8 Reiff. I'm president of Reiff Grain and

9 Feed from Fairfield that's a service country

10 elevator in the southeast part of the

11 state. Again, my comments are on behalf of

12 the Agribusiness Association of Iowa.

13 There's myself, and at least a thousand

14 other commercial ag business firms. We're

15 largely the feed grain fertilizer people

16 that directly support production

17 agriculture.

18 The upcoming world trade talks

19 round certainly has great importance to my

20 business and agriculture, in general. We

21 believe we must use this forum to address

22 the following four points:

23The sanitary and phytosanitary

24issue of--has been a roadblock with

25several countries. The current WTO

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1provisionsclearlydefinethosemeasures
2whichanationmaytaketoprotecthuman,
3animal,orplanthealthaslongasthose
4measuresarebasedonsoundscience.We
5urgetheadministrationtoresistany
6attempttoweakencurrentsanitaryand
7phytosanitaryprovisionsbynonscientific
8healthorsafetyclaimstoberaised.
9Wealsobelieveinscience-based
10andtransparentapprovalprocessforallthe
11newtechnologies.Somenationsare
12utilizingregulatoryapprovalprocessto
13impedetheintroductionofnewbiotech
14events.Theneedforuniformscience-based
15andtransparentregulatoryreviewprocess
16shouldbeaddressedinthenextWTORound.
17Consumerrejectionofnewtechnologies,in
18ourview,isanormalmarketplacerisk,but
19theinabilitytobringanewproducttothe
20consumermarketsforsuchadecisionisa
21tradebarrier.
22We'dalsoliketoseeareduction

23 in the trade-distorting domestic supports.

24 Under the '96 Farm Bill, the United States

25 is moving to a decoupling of domestic farm

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1 supports. Unfortunately, other states and
2 other countries are not. We believe
3 providing income and technical support to
4 producers will always be a part of the
5 domestic policy of many nations. We should
6 encourage such support to be structured in a
7 way that it is decoupled from
8 trade-distorting policies that do not allow
9 the world price discovery system to
10 function.

11 Finally, it's the quick, effective
12 dispute settlement. The current WTO
13 provisions regarding dispute settlements
14 remind one of securing a civil judgment
15 against a debtor; enforcement is the key.
16 The current language allows for adjudication
17 by a dispute settlement panel, but little
18 effective enforcement means except to file
19 a complaint after a complaint. The rules should
20 be fair and equitable, clear and binding,
21 and certainly enforceable in a timely and
22 predictable manner. We urge the

23administrationtomakequickandeffective

24disputesettlementinthenextroundofthe

25worldtradetalks.

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1 We additionally want to take this
2 opportunity to encourage the administration
3 to concentrate on two additional areas of
4 international trade: First is, I mentioned
5 before the reforming of the European Union's
6 Common Agricultural Policy which accounts
7 for \$60 billion in trade-distorting
8 subsidies, and maybe 85 percent of the
9 world's export subsidies. And secondly, as
10 has been said also, the admission of China
11 to the WTO.

12 Finally, we echo the many voices
13 today petitioning the administration to
14 strongly support renewal of the President's
15 fast-track trade negotiating authority. We
16 in agriculture believe the administration
17 has been motivated perhaps more by internal
18 politics than the reality of necessity of
19 renewing this fast-track authority. The
20 administration can go a long way to
21 dispelling that belief, give agriculture a
22 big shot in the arm by supporting the

23fast-trackprovisionsembodiedinthe

24comprehensivetradebillnowbeingdrafted

25bytheSenateFinanceCommittee.

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1 And, Secretary Glickman, much has
2 been said today about the U.S.
3 overproduction under the Freedom to Farm
4 Act; however, the mechanism alive today of
5 allowing prices to seek world market
6 clearing level has perhaps stopped the
7 clearing of land in the southern hemisphere
8 for the first time in about 12 years. This
9 should finally curb the biggest expansion on
10 the globe which was our fastest growing
11 competition in agriculture.

12 Ours sincere thanks to the
13 listening panel for the opportunity to
14 comment this afternoon.

15 DR. KANWAR: I'm Ramesh Kanwar.

16 I'm an assistant director of Iowa
17 Agriculture and Home Economics Experiment
18 Station, and also professor of Agricultural
19 and Biosystems Engineering at Iowa State
20 University.

21 First of all, I'd like to thank
22 Patty Judge and other members of the

23listeningpanelforprovidingusan

24opportunitytosharesomeoftheongoing

25programsatIowaStateUniversity.Wecan

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1surerelatetoagriculturetradeissues.

2Iwouldbeginwithacoupleof

3statements,andthenIwillsharewithyou

4someoftheongoingprogramswhichmight

5eventuallyaddresssomeofthetradeissues

6relatedtoglobal-levelissues.

7Firstofall,theworldcommunity

8hasabiggerchallengetodaytofeedthe

9growingpopulation,(inaudible)andto

10theglobalstandardsonhealthenvironment

11andnaturalresources.Designingnewcrops

12andcroppingsystemsofthefuturewill

13requiregeneticimprovements,sustainable

14productiontechnologytoraisetheyield,

15improvethequalityofgrainsandplants,

16addvaluetoagriculturalproducts,and

17minimizethedegradationofnatural

18resources.Meetinglong-termfutureneeds

19offoodforthegrowingpopulationcanonly

20beachievedbysustainableagricultural

21intensification.We havethefinestlandon

22theplanet,andIbelieve(inaudible)double

23the population in the next 50 years, we have

24gotten more food upon the same limited

25land which is available on this planet.

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1 This will require the integration
2 of several technologies that are efficient
3 and environmentally responsible. Past
4 agricultural practices have sought to
5 increase food production, sometimes at the
6 expense of sustainability, and we have
7 seen many of the examples around the globe,
8 like mismanagement of the irrigation
9 systems, environmental contamination, soil
10 erosion, monocropping systems, and lack of
11 genetic diversity.
12 Under the Uruguay Round, special
13 concentrated efforts will be needed to make
14 overseas markets competitive for U.S.
15 producers. Low-cost producers and with
16 excess capacity are likely to benefit
17 through increasing exports. Value added
18 through increased quality of plants, grains,
19 oils, and other by-products will attract
20 special customers of U.S. products.
21 Development of education and training
22 programs to a much higher level of

23excellencewouldbeneededtosupportthe

24emergingneedsofU.S.andoverseasindustry

25toproducehigh-qualitycropsandpreserve

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1 global natural resources. I mean soil, air

2 and water, in its natural state.

3 I would like to address two

4 issues. I might say a couple of issues

5 through my presentation. One is the food

6 safety, and the issue of water quality.

7 Those of us who travel overseas,

8 we can well appreciate the quality of the

9 water we have in this country. Water

10 contaminated with pesticides and manure and

11 other contaminants might be used for washing

12 or cleaning or processing fresh fruits,

13 vegetables, and meat products. And it's a

14 good likelihood that some of that water

15 which is used in other countries might

16 contaminate some of the food products. Poor

17 sanitary conditions in food, vegetable and

18 meat processing and packing plants can

19 further provide opportunities for

20 contamination if floors and machines are

21 cleaned with contaminated water in other

22 countries.

23SecondpointIwanttomakeis

24sustainableintensificationofagricultural

25productionsystems.Theuseof

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1 input-intensive farming systems in
2 high-productive areas of the world, such as
3 Iowa, have led to degradation of soil and
4 water resources far exceeding the carrying
5 capacity of land resulting in sometimes
6 unsustainable farming practices. Some of
7 these unsustainable practices are causing
8 the pollution of some of the major
9 international water bodies, and recent
10 examples I can cite to you are the pollution
11 of the Black and Aral Seas which are almost
12 polluted to a level that (inaudible) for
13 any kind of habitable life.
14 Let me share with you in the next
15 couple of minutes some of the initiatives we
16 are having which are ongoing at Iowa State
17 University in the College of Agriculture and
18 Home Economics Experiment Station Initiative
19 to address these global trade issues.
20 We have developed one plan we
21 call -- I think USDA has some requirements
22 (inaudible) in the country, and the one plan

23draftisready,andwehavesetfive

24differentgoals.Goalnumberoneisto

25developanagriculturesystemthatishighly

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1competitiveinaglobaleconomy.Thegoals

2wouldhave16programswhichwillinclude

3programsonfarming,plantsciences,

4germplasm,animalproductionsystems,

5qualityandsafetyoffoods,agricultural

6riskmanagement,internationaleconomic

7competitiveness.

8Secondgoalistohaveasafeand

9securefoodandfibersystem,andthiswill

10addresssomeoftheissuesofreductionof

11physical,chemical,andbiologicalhazards

12tofoods.AndIwouldliketomentionthat

13IowaStateUniversityhastakentheleadin

14developingafoodsafetyconsortiumwith13

15otherlandinstitutionstoaddresssomeof

16theseprograms,andalsotodevelopjoint

17research,education,trainingandoutreach

18programstoaddressfoodsafetyissues,

19includingissuesrelatedtodomesticand

20globaltrade.

21Thirdistohaveahealthyand

22well-nourishedpopulation.Thiswillhave

23programsonimprovinghumanfoodsand

24fiber-relatedproductsforsocialand

25economicadvancement.

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1 And fourth goal is an agricultural
2 system which protects natural resources and
3 the environment. And this component will
4 have programs on sustainability of intensive
5 agricultural systems, water quality
6 management, protection of soil resources,
7 pest and animal waste management, global
8 climatic change.

9 MR. BLOUIN: Take about 10 seconds
10 and wind it up.

11 DR. KANWAR: And finally we have a
12 program which is right now going on with the
13 help of the State of Iowa, Plant Sciences
14 Program. This initiative will be a program
15 which will lead us hopefully to better
16 crops, new high-technical industry, and
17 hopefully high-technical jobs in Iowa.
18 Plans are to raise \$700 million to have this
19 signed initiative at Iowa State University
20 over the next ten years to make Iowa State
21 University a world leader in crop research.
22 Again, thank you.

23MR.BLOUIN:Blake.

24MR.HURST:Thankyou.Thankyou,

25membersofthepanelforspendingtheday

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1 here. It reaffirms what I've always thought

2 to be a public servant. The most important

3 attribute is the cast-iron bladder.

4 My name is Blake Hurst, and I'm

5 speaking on behalf of the Missouri Farm

6 Bureau, but also as a family farmer in

7 northwestern Missouri where my two brothers and

8 I raise corn and soybeans, and my wife,

9 Julie, and I have a commercial greenhouse

10 business where we sell bedding plants in

11 four different states, and I also raise a

12 lot of summer plants, mums and asters. At

13 least there were some this morning, and I

14 assume the kids have watered them today, so

15 we still are.

16 I thought you mentioned the crowd

17 kind of leaving. I thought this might

18 happen, so before I came up here to speak, I

19 did make sure I had my car keys. My wife

20 still is here with me, and I appreciate

21 that.

22 Missouri Farm Bureau represents

23over9,000memberfamilies.Membersproduce

24almosteverycommodityyoucanimagine,and

25thensome.Missouridependsonaccessto

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1 customers around the world for the sale of
2 roughly 30 percent of those commodities.
3 Our organization recently had a
4 series of listening posts around the states,
5 six different meetings with about a thousand
6 family farmers in attendance, and provided
7 an opportunity to learn first hand what's
8 happening to our membership. And, of
9 course, the picture is pretty grim.
10 Interestingly enough, we did not
11 hear a lot of calls for abandoning the 1996
12 Farm Bill. Of course, a great deal of
13 support, as Secretary Glickman mentioned
14 earlier, some short-term help. Most farmers
15 and ranchers understand how important
16 foreign markets are to our future. A
17 presidential candidate spent a lot of time
18 in Iowa here three years ago, talked about
19 how bad trade was for farmers, and he wanted
20 to lead a group of peasants with pitchforks
21 to Washington, D.C., but I'm afraid those
22 pitchforks have been replaced by high loader

23scooploadersthatweremadeinJapanthat

24werepaidforbydollarsearnedinselling

25soybeansintheEuropeanUnion.Weareina

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1 world market. We might as well accept that

2 fact.

3 So we need to do some things. The

4 World Trade Organization needs to do some

5 things. Our objectives for the next round

6 would include: We must address high

7 tariffs, trade-distorting subsidies, and

8 other trade practices in the new round of

9 negotiations on agriculture. We support

10 expediting action relative to agriculture

11 during the next round of negotiations. We

12 must begin negotiations early and conclude

13 them quickly.

14 Second, we must support a single

15 undertaking for the next round, and all

16 negotiations conclude simultaneously.

17 That format would prevent other countries from

18 leaving the difficult agricultural

19 negotiations until the bitter end. We

20 believe a short time frame for the next

21 round, coupled with a single undertaking

22 approach will prevent long, drawn-out

23negotiationsthathavebecometoo

24complicatedtoconcludeexpeditiously.

25Third,wemustcallforthe

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1eliminationofexportsubsidiesbyallWTO

2membercountries.Ourproducerscannot

3competeagainstthefloodofspendingby

4ourprimarycompetitorsliketheEuropean

5Union.

6Fourth,webelievethatnew

7negotiationsmustincluderecommitmentto

8buyingagreementstoresolvesanitaryand

9phytosanitaryissuesbasedonscientific

10principlesinaccordancewiththeWTO

11agreementonsanitaryandphytosanitary

12measures.TheprovisionsoftheUruguay

13Roundaresoundanddonotneedtobe

14reopened.

15Fifth,thenextroundshould

16resultintariffequalizationandincreased

17marketaccessbyrequiringU.S.trading

18partnerstoeliminatetariffbarrierswithin

19specifiedtimeframes.Ourproducerscompete

20openlyintheirowndomesticmarketwith

21foreigncompetitors,butareshutoutof

22exportmarketsduetoprohibitivelyhigh

23tariffs.Weneedtocorrectthisimbalance

24forourfarmers.

25Sixth,wemustimposedisciplines

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1onstatetradingenterprisesthatdistort
2theflowoftradeinworldmarkets.Every
3effortshouldbemadetocraftanagreement
4thatshedslightonthepricingpracticesof
5thesestatetradingenterprisesandends
6theirdiscriminatorypractices.We'velost
7toomanyalestothirdworldcountriesdue
8tononcompetitive,nontransparentoperations
9ofstatetradingenterprises.
10Seven,wemustensuremarket
11accessforbiotechnologyproductsproduced
12fromgeneticallymodifiedorganisms.And,
13again,goingwiththis,wemustendtheuse
14ofallnontariffbarrierstotrade.
15Finally,ournegotiatorsmustmake
16changestotradingpricesthatwould
17facilitateandshortendisputeresolutions
18forproceduresandprocesses.Theprocess
19foraWTOdisputesettlementcasetypically
20runsthreeyears,iftheWTOrulingis
21implemented.We have seen both in EU banana
22and EU beef cases that compliance is not

23alwaysassured,evenifsanctionswere

24placed.Ourtradingpartnerscannotbe

25allowedtounilaterallyweakenhevery

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1 principle that we negotiated in the Uruguay

2 Round Agreement.

3 Farm Bureau supports

4 liberalization in global agricultural

5 markets that will result in true reform of

6 the current trading regime and bring about

7 fair trade for our producers.

8 Thanks.

9 MR. BLOUIN: Thank you very much.

10 Questions from our listening panel. Going

11 once. Going twice. Sold. Thank you.

12 Steve Strenge. Following Steve

13 will be Rich Jensen.

14 MR. STRENGE: Okay. Thank you,

15 panel. I'll try and make this real brief.

16 I'm sure everybody is getting anxious to get

17 out of here.

18 I'm wearing two hats today. I'm

19 the international sales manager for a

20 company that manufactures meat processing

21 equipment quite successfully. One of four

22 founders happen to be in this building, as

23a matter of fact. About 65 percent of four

24 business is exporting; about 100 percent of

25 our business is dependent upon the

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1producer's ability to raise meat.

2The other hat that I'm wearing

3today is the chair--I'm the chairperson

4for the Iowa Department of the Iowa District

5Export Council, which is part of the

6Department of Commerce, U.S. Department of

7Commerce. We've been tasked by the

8Department to stimulate exports for the

9State of Iowa. As such, the Council is

10keenly aware of the vital importance a

11strong agriculture base for the well-being

12of this state and country.

13The business of many, if not most,

14of the members of the Iowa District Export

15Council is ag-related. Together we generate

16million of dollars in export income. We

17actively educate and encourage and mentor

18other Iowa firms to increase exports.

19Thousands of jobs are dependent upon Iowa's

20ability to competitively export our products

21and services.

22The District Export Council urges

23you to leave aside the political rhetoric

24and demand intellectual honesty from all the

25other negotiators. Far too many tariff and

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1 especially non-tariff barriers to trade
2 continue to distort rational policies and
3 adversely affect millions of people around
4 the world.

5 We're not going to go -- I'm not
6 going to go into the specific policy
7 recommendations. You've heard many today.
8 Rather, my point in speaking is to
9 underscore the tremendous importance that we
10 place upon you, our representatives, to
11 effectively negotiate a free and fairer
12 trade. We need you to have the best and the
13 brightest at the negotiating table.
14 Food and fiber are absolutely
15 vital to every economy and every nation.
16 The only real progress that is going to be
17 made is if all the negotiators focus on
18 global challenges of agriculture.
19 Tomorrow's agriculture is not just about
20 food, but it's about food produced without
21 adversely affecting the global environment
22 and health concerns. The future of U.S.

23agriculturewillbelargelydeterminedby

24theWTOnegotiator'sabilitytobuilda

25frameworkthatsafeguardshe vitalityof

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0106

1thisnation.

2Thankyou.

3MR.BLOUIN:Thankyouverymuch,

4Steve.Richard.FollowingRichardis

5FranklinNeff.

6MR.JENSEN:Goodafternoon.My

7nameisRichardJensen.I'mthechief

8marketingofficeratDiamondVMillsin

9CedarRapids,Iowa.DiamondVisa

10family-ownedanimalfeedadditivecompany

11that'sbeeninbusinessfor57years.We

12sellourproductthroughouttheU.S.and

13Canadaand35othercountriesaroundthe

14world.Exportsalesthisyearwillamount

15toapproximately25percentofourtotal

16revenue,soIthinkyoucanreadily

17understandwhywehaveaninterestinwhat

18doesordoesnotgooninSeattle.

19Tokeepwithinthethree-minute

20guideline,I'venarrowedmyoriginallistof

2117suggestionsdownto2.

22First,Iwouldencourageyouto

23rememberthattradeisessentiallybusiness,

24andinourview,thepurposeofbusinessis

25to create and keep customers. You need to

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1keepinmindthatourtradingpartnersand
2ourprospectivetradingpartnersare
3essentiallyyourcustomersandprospects.We
4needtocreatetheatmosphereandformulate
5thepolicies thatwillmakeourcustomers
6wanttodobusinesswithus,thatwillmake
7themchooseusasasuppliertheycancome
8backtotimeandtimeagainforgoodvalue,
9fairtreatment,reliablesupply,and
10courteousservice.Itwillhelpusallif
11youdowhatyoucantodepoliticizethe
12tradingprocess.
13Ifullyrealizepoliticsarea
14partofourcollectivereality,butIdon't
15believethataskingourcustomertoadopt
16ourpoliticalviewpointasapreconditionof
17doingbusinesswithusisnecessarilya
18customer-friendlyapproach.
19IhappenedtobeinAsialastfall
20whenVicePresidentGoredeliveredamuch
21remarked-uponspeechinMalasia.Evensome
22verygoodgenerallypro-Americacustomersof

23oursinTaiwanwerequitetakenabackand,

24dareIsay,offendedbythethrustofthe

25VicePresident'sremarks.

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1 Our company, perhaps like a number
2 of others represented here, has a
3 significant stake in expanding commerce
4 across the Pacific Rim. We have a good
5 business in Japan, Korea, and Taiwan, and we
6 have a good beginning in China, and
7 significant prospective business that we
8 wish to develop in Malaysia, the Philippines,
9 Thailand and Vietnam.
10 All of these countries have very
11 different cultures and socioeconomic systems
12 than does the United States. Understanding
13 those differences and respecting their right
14 to be different will go a long way toward
15 helping us to create and keep customers in
16 each of those countries in the years ahead.
17 We'd appreciate your help in creating that
18 understanding.
19 Secondly, we would like your help
20 in creating an atmosphere of bargaining in
21 good faith. The frustration of seemingly
22 endless delays in adopting more open trade

23policiesandpracticesthatsupposedlyhave

24alreadybeenagreeduponismost

25discouraging.Customerscanandwilldecide

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0109

1forthemselveswhattheywanttobuywithout

2thehelpofgovernment.

3Iobservedthisjustagainlast

4weekwhenwehostedadelegationtooneof

5ourEuropeancustomercompanies.Atthe

6firstavailablemealopportunity,withno

7promptingfromus,theyallorderedthesame

8thing:Abig,thick,juicypieceof

9certifiedAngusbeefgrownrightherein

10Iowa.

11Theapplicationofbiotechnology

12tofoodproductionisarelativelyrecent

13developmentthatwillsomedaybeheldasa

14revolution.Noonewantsorexpectsthatwe

15shouldrushintotheunknownsof(inaudible)

16withoutthedueprocessofscientific

17discoverybeingappliedasasafetyissue,

18butwhenthatprocesshasbeenappliedand

19theissuesresolvedtothesatisfactionof

20thebestscientificmindsintheworld

21community,thescienceshouldprevailand

22accessbeallowed,orreasonsgivenwhyit

23won'tbe.(Inaudible)isnotthepolicyof

24thosewhobargainingoodfaith,andthose

25whohaveescapedhavetobeencouragedto

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0110

1I carry this tactic in an even broader arena.

2I believe Mr. Fisher seems to have already

3discovered this concept.

4Thank you for the opportunity this

5afternoon. Good luck in Seattle.

6MR. BLOUIN: Thank you. Franklin

7Neff, and Denise O'Brien follows Franklin

8Neff.

9MR. NEFF: My name is Frank Neff.

10I'm a retired faculty member from the

11University of Missouri at Kansas City. My

12area of specialization was in the field of

13social psychology. I did a fair amount of

14work in studying how people work together in

15groups. I've done research on

16organizations. I've done research and

17program development with various

18organizations, and have also worked in

19educational program evaluation.

20I want to start out by saying that

21it seems to be, for many people, a given

22that there will be another round of

23negotiations.Iwouldliketoexpressto

24youtheopinionofsomepeopleofthis

25nationthatthisisnotthetimeforanew

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1roundofnegotiations,butratheratimefor

2manyofustofindoutreallywhat'sbeen

3happeningwiththenegotiationsthathave

4beenhappeninginthepast.

5Oneofthepeoplewhoprecededme

6said,inregardtofarmers,wearepartof

7thiscountry.Ithinkthatthathelpsto

8differentiate,importantly,someofthe

9concernsandsomeoftheunderstandingsand

10conceptsthatwehave,becauseitseemsto

11methatthatdifferentiatesthefarmersfrom

12manyofthemultinationalcorporationsthat

13areveryheavilyinvolvedinagriculture,

14becauseIthinkmanyofthoseshouldnotbe

15consideredAmericancorporations.Theylike

16toconsiderthemselvesglobalcorporations.

17Theyliketoconsiderthemselves

18multinationalcorporations,andIthink

19that'sappropriate,andtorecognizethat

20theyarenotAmericancorporations.

21Internationaltradeagreementsare

22supposedtobemadetobenefitthepeoples

23 of the nation making those agreements.

24 Unfortunately, in the past several decades,

25 U.S. negotiators have been making, perhaps

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1 forcing, agreements which increase the
2 wealth and power of corporate leaders and
3 other privileged elites while making
4 destitute the lives of millions of citizens
5 who do the actual work that provides the
6 wealth.

7 The general agreement on trade and
8 tariffs, the World Trade Organization, the
9 North American Free Trade Agreement, the
10 much-disputed multilateral agreement on
11 investment, and many others such agreements
12 are transferring authority from the people
13 in their local communities, from their
14 states and from their nation to those
15 corporations.

16 The Zapatistas in southeastern
17 Mexico took up arms when NAFTA went into
18 effect because they believed that cheap corn
19 from the United States would ruin them.
20 Life for most Mexicans has been harder and
21 more demeaning since NAFTA took effect. I
22 haven't had the opportunity to see Neuvo

23Laredoandtoeethenice-lookingplants,

24theplantsthataredownthere,modern,new,

25andIalsotalkedtothepeoplewhowere

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0113

1 working with those plants and who get paid

2 75 cents an hour.

3 In the United States corporate

4 farming is dominating agriculture. The

5 policy of the federal government seem to be

6 to support that corporate domination and the

7 transformation of agriculture into a factory

8 system which bankrupts productive farmers

9 and ranchers while enriching agribusiness

10 and providing no cheaper food to the

11 consumer. Pork has been the most recent and

12 the most prominent example.

13 In a report to the National

14 Farmers Union by Dr. William Heffernan,

15 University of Missouri, Columbia, the

16 extensive consolidation in the food and

17 agricultural system is documented. Already,

18 corporations such as Cargill, Monsanto,

19 Continental, ConAgra, Novartis, IBP, and ADM

20 have established control in beef packing,

21 feedlots, pork productions, pork packing,

22 broilers, turkeys, feed plants, elevator

23companies,flourmilling,drycornmilling,

24wetcornmilling,soybeancrushing,and

25ethanolproductionactivities.

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0114

1 Jumping to the last couple of

2 sentences: It is beyond time to stop making

3 such agreements and have public examination

4 of those policies. ExpertssuchasRobert

5 Stumberg and Charles McMillion have

6 explained the damages that are being created

7 by such agreements. Their analyses need to

8 be shared with the people in the countries

9 involved in these agreements, and the people

10 can tell their legislators what policies

11 they want, which will make corporations

12 serve the people, instead of making people

13 serve the corporations.

14 Thank you.

15 MR. BLOUIN: Thank you very much.

16 Denise O'Brien, followed by Robin Leach.

17 MS. ANDERSON: I'm not Denise.

18 She had to leave early. My name is Greta

19 Anderson, and I am here with others

20 representing the Women and Food and

21 Agriculture Network. Our network of women

22 shares research and information on food

23systems,sustainablecommunities,and

24environmentalintegrity.Wewelcomethe

25opportunitytoparticipateinthisimportant

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0115

1forum.

2Asapreface,letmesaythatwe

3believetheWorldTradeOrganizationneeds

4toseriouslyreconsideritsmissioninthe

5contextoftheworld'swelfare.Ithas

6allowedneoliberalconomicideologyandthe

7goalofopeningglobalmarketstocrowdout

8allotherconsiderationsandhasputtrade

9andinvestmentfirst,notpeople,not

10democracy,notlife.Andithas,through

11largelyundemocraticmeans,gainedthepower

12topursueitsnarrowgoalsatthehazardof

13theseother,webelieve,moreessential

14values.

15Wewouldposethefollowingthree

16questionstorefocusetheprioritiesofthe

17WTOasitconcernsagriculture:Isfree

18tradeintheinterestsoftheworld's

19people?Isfreetradeintheinterestsof

20Americanfarmersandruralcommunities?

21Whatisfreetradedoingtotheearth's

22naturalcapital?

23Freetrade promotes an agriculture

24of overproduction. Midwest farmers are

25proud to be feeding the world. While we

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1 share in the farmers' pride in the glorious
2 productivity of our land, we believe the
3 mission of feeding the world, as much as it
4 has become a mission, is fundamentally
5 flawed. It is wrong to force others to
6 depend on you for food. It is wrong to put
7 indigenous farmers out of business.
8 The farmers' stories we hear from
9 the farmland here in Iowa are very moving.
10 The same stories can be heard from all over
11 the world. If, as Secretary Glickman
12 claims, overproduction is the cause of
13 record low prices worldwide, then more free
14 trade cannot be the answer. We must
15 establish and allow other countries to
16 establish policies that recognize that
17 agriculture is a unique sector of the
18 economy, rooted in place and dependent upon
19 nature. If we truly want the world to be
20 fed, using surplus to build emergency
21 crop reserves should be an important
22 priority.

23Thinkaboutit.Thecorporate

24sponsors of the Feed the World campaign

25createseeds that cannot be saved. When

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0117

1 U.S.-based factory farms import large
2 shipments of grain from South America, it
3 turns out we are the world, after all. It's
4 time farmers and politicians put the
5 quasi-moral rhetoric aside. Our trade
6 policies are not feeding the world; they are
7 feeding the rich.
8 Which brings us to number 2: Is
9 free trade in the interests of farmers and
10 rural communities? According to the USDA,
11 U.S. exports jumped 25 percent the first
12 year of the WTO to a record 55 billion. The
13 following year they were at roughly 60
14 billion, but it's a case of the tortoise and
15 the hare. While exports have declined,
16 imports have continued a steady growth. In
17 terms of agricultural trade balance, we're
18 now behind where we were when we started in
19 1994. So let's have no more talk of
20 exports. Let's talk bottom line; exports and
21 imports, the agricultural trade balance.
22 Is free trade good for American

23farmers?Theanswerisno.Isitgoodfor

24multinationalcorporations?Itwasinvented

25forthemandforthosewhoinvestinthem.

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0118

1Record low crop prices bring record

2profits. So-called free trade is a case of

3capitalism for the poor, socialism for the

4rich.

5We've talked about the tortoise

6and the hare. Let's talk about the goose

7that lays the golden egg. It's true,

8top soil was once measured in feet. Not

9any more. It is not our midwestern top soil

10that is growing our crops. It's phosphorus

11mined from Florida, oil from the Middle

12East, water from the Ogallala aquifer, and

13soon. With policies that encourage farming

14and trading by extraction, we run the risk

15of killing the goose that lays the golden

16eggs. We need rational policy, policy that

17looks at the long run, that taxes resource

18depletion and pollution, that encourages us

19to build up our natural capital again.

20Invest in farmers and in stewardship of the

21land.

22Finally, a word about sound

23scienceandGMOs:Technologyandinnovation

24isnotthatsamethingasscience.We

25challengeUSDAandFDAtoprovethat

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1thereissoundsciencebehinditsapproval
2ofgeneticallymodifiedcrops.Weaverthat
3thisprocesshasbeenstreamlinedtoavoid
4thedifficulttestsandtroubleshootingthat
5sucharevolutionaryproductsshouldface.

6Onceagain,weaskthequestion,whois
7profitingfromthistechnology?

8AndIwouldjustliketosaythat

9Ihaven'theardmuchaboutorganic
10agricultureasanimportantexport.Asan
11ajournalist,I'vespokenwithorganic
12exporterswhosaythatourreputationabroad
13isbeingdamagedbytheemphasisandpushon
14GMOs,andmaybeweneedtoconsiderthat
15layoff.

16MR.BLOUIN:Thankyou.Robin

17Leach.FollowingRobinwillbeBrother

18DavidAndrews.

19MR.LEACH:Thankyou,

20Mr.Chairman.It'sbeenalongtimesinceI

21satsolongtosaysolittle.I'velearned

22acouplethingstoday,MadamSecretary.

23 Secretary Glickman and I both used Fitch's

24 Hair Lotion in our earlier years, so I

25 thought that would be of some interest to

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1thisgroup.

2Anyway,I'vehadseveralquestions

3askedofmetoday,andIbasicallythrew

4awaywhatIcametosay,butI'veprobably

5hadtheopportunitytoknowourSecretaryof

6Agriculturelongerthananyone,andIthink

7ifthisaudiencewillrealizeacouple

8thingsthatweresaidtoday,that--saidby

9theSecretary,andIbelievethatthisman

10meanswholeheartedly,iswe'vegottohave

11anotheranswerbesidesimportstoexportsto

12savethiscountry.IthinkI'veknownhim

13wellenoughtobelievehemeansit.

14IapplaudtheFarmBureauefforts

15toplow\$14billionintoouragpolicy,but

16itdealswithacompressonaverybad

17situation.

18WhenTomhadalesserjobwith

19lesserpay,westartedhavingmeetingswith

20theFSAaroundthecountrythisspring,and

21weweredealingwiththesubjectoftrade

22andfarmpolicy.Itbecameveryconvoluted

23andverydifferentfromdifferentareasof

24thecountrywithall50states.Wedidcome

25upwithsomerecommendationsthatTomandI

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0121

1believeyoucangettoallthosepeople,
2that'saverythickpacket,fromall50
3states.
4Wedidcomeupwithsomething
5else.Westronglybelieve,andIsuggested
6itthen,I'mgoingtosuggestittoday,our
7SenatorinKansaswasthefatherofFreedom
8toFarm.I'msurehedidn'trealizewhathe
9hadcreated,withoutsometypeofasafety
10net.IwonderwhatwouldhappeninIowa
11todayifyouwentouttoanycountyinIowa
12andsaid,"Iwillgiveyouthismuchmoney
13tolayyourlandout."NotinaCRP,notin
14athree-yearthing,notinsomethingelse,
15butsomethingthatsays,ifyoubelieve
16thingsaregoingtogetbetter,thiswill
17pleaseyourbanker,andthegovernmenthas
18money,whichwe'vebeenspendinginhuge
19amountsinthisprogramofLBTs,letthe
20farmershavetruefreedomtofarm,butlet
21themhavetheirfreedomtonotfarm.Give
22themtherighttolaytheirlandidle.

23 And for those that think that some

24 way or another they're going to push down

25 more rain forest in Brazil, let us take our

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1CRPlandout,ifyoubelievethatthatkind
2oftheoryworks,andwecanproducethings
3socheap.Imean,we'llhavewheatdownto
4\$1abushel.We'llputthemoutofbusiness
5ifthat'sthekindoftheoryyouwanttogo
6through.

7ButIhavetalkedtomany senators
8andtoKeithCollins,andtheUSDA,andI'm
9talkingtotheselearnedgroupofpeople,is
10ifwe'regoingtospendmoney,andwecan't
11havealoanflowwork,whichshouldbethe
12worldprice,giveustherightonaone-or
13atwo-yearbasistolayourlandidleaswe
14didtheOACPprograms.Letusspendour
15moneytheresotheotherfarmerscangeta
16pricefortheircrop.Butlet'snotforce
17thebankstosellourmachinery,our
18farmers'homeofficetobecometotally
19inundatedwithpeople.

20Alotofuswentthroughthis,as
21yourpredecessorandIdid,intheNCSLin
22theolddaysofDaleCochran.Itwasnota

23goodfeeling.Wewaitedtoolong.Forthis

24group,Iwouldurgeyou,whenyougooverto

25theWTOinSeattle,tosuggestwhatwould

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0123

1happentothesubsidiesoftheEuropeansif
2theyhadtostartpayingahighpricefor
3graintotheirfarmersstosayweweremaking
4aprofitforachange.Maybewe'llletour
5farmerslayourlandidle.Don'tputstrict
6regulationsonit.Justletuslayitout
7forayear,twoyears.Seeifthatmakesa
8difference.I'msurethatsomeofthebig
9corporationswon'tlikethattoowell,but
10theygetapaymentsomuchperbushel.We
11havetoearnaliving.
12SothatisaproposalthatTomhas
13beforehimthroughtheFSA,andIappreciate
14theopportunity.Andthesetwoladieswho
15havebeensigningheresovaliantlyall
16afternoontoldmeIcouldn'ttalkanylonger
17becausethey'rewearingout,andIthankyou
18alot.
19MR.BLOUIN:BrotherDavidAndrews
20followedbyGenePaul.
21BROTHERDAVIDANDREWS:WhenI
22calledJoanieKiernanaboutregisteringfor

23this,shesentmeafaxbackthatsaidIwas

24thefirstregistrant,andsolquicklyput

25downmypreferredtimeofspeakingat

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0124

19a.m.

2I'm Brother David Andrews. I'm

3the executive director of the National

4Catholic Rural Life Conference. We are a

575-year-old organization. Since 1940 we've

6been here in Des Moines, Iowa.

7A lot of people wonder what the

8church has to say about agriculture, about

9trade, about economics. Those from Iowa

10will know that (inaudible) my predecessor,

11was given an award called the Iowa Award,

12very esteemed award given to very few, for

13speaking about agriculture very

14effectively. And also here in Iowa Bishop

15Murray Stingman, Father Norm White, many

16others in the Catholic Rural Life movement,

17which is a national movement, have been

18speaking about agriculture, trade, and

19economics, and we have a long history.

20We're in the real world, not just the

21heavenly world.

22Is it on the domestic policy

23committeeoftheBishopsCongressin

24Washington,D.C.,andalsoserveona

25subcommitteeonfoodandagricultureofthat

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1 conference. I'm also a board member of the
2 Organization for Competitive Markets, which
3 is an organization of farmers and ranchers
4 concerned about the independence of family
5 farmers and about whether or not trade is
6 free and fair. So I'm happy to be here now
7 today.

8 We in the Catholic Rural Life
9 Movement have a set of principles that have
10 been developed really over the years of
11 reflection on scripture and on our
12 tradition, and I just want to take a few
13 moments to share with you some of the
14 elements of those principles.

15 Derived by such readings of
16 scripture as in Genesis, where God says that
17 God creates and places the first man and
18 woman, Adam and Eve, in the garden and
19 charges them with a vocation of being
20 tillers of the soil and calls them to tend
21 it and to keep it well.

22 I'm also a recipient of the

23traditionthatteachesusthatwhenGod

24freesthepeopleofIsraelfromcaptivityin

25Egypt,hecallsthemtostand erect,to

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1standuptoachieveresponsible
2self-governance.Andsoin thatsense,then,
3we'recalledtorespectthedignityofthe
4humanperson.Andsomeoftheproposals,I
5think,beforetheWTOwouldcontinueto
6diminishtherightsoffarmersandfarm
7workersandreducethemtothestatusof
8slavesandserfsviolatingthehumandignity
9thattheyaregivenaspersonscreatedin
10theimageofGod.
11Also wehaveaprincipleof
12solidaritydevelopedduringthe1930s.This
13principlesaysthathumancommunitiesought
14tohavetherighttoself-governanceatthe
15locallevel,andnohigher-levelcommunity
16shouldstripthemofthoserightsto
17exerciseresponsibleself-governance.Andso
18theattempttouniversalizelawsand
19regulationsandstrip--thetrippingof
20localcommunitiesandlegislativeentities
21fromresponsibleself-governanceviolates
22thatprincipleofsubsidiarity.It'sa

23principlethatwedevelopedoriginallyin

241890butexpandedourreflectiononitin

25the1930sinresponsetocommunismand

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1fascism.It'stheprinciplethatwas
2adoptedformallyinthemastertreatythat
3allowedforlocalresponsiblegovernanceand
4saidthatthefederalgovernmentat--of
5theeconomicunionwouldnotstrip
6localitiesofsubsidiary.

7AndfinallyI'lljustcall
8attentiontothecommongood.Aneconomic
9modelwhichexternalizesriskwhichdoesnot
10practiceenvironmentalstewardshipanddoes
11notgiveregardtosocialwell-being,fails
12inresponsiblecorporatecitizenshipand
13violatesthecommongood.Thoseareonly
14twoofalargernumberofprincipleshatwe
15usetoevaluatetheeconomyandtrade
16policy.Webelievethattheeconomyismade
17forthe person.The personisnottobe
18madeasacoginthewheelofaneconomy.

19Thankyouverymuch.

20MR.BLOUIN:GenePaul,followed

21byJoycePeterson.

22MR.GENEPAUL:I'mGenePaul,

23PresidentoftheNationalFarmers

24Organizationheadquartered in Ames, Iowa. I

25just want to thank the panel for taking the

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1timetoday.We have apreparedstatement

2whichwewillmakeavailable,andIjust

3wanttotouchonafewpoints.

4Webelieveit'sreallyamyththat

5theUnitedStatesisgoingtoexportitsway

6toprosperity.Ifthisfreetradethat

7we'reinissimplyaracetolowerour

8pricestocapturemoreexportsales,myonly

9questiontodayis,arethepriceslowenough

10yet?

11U.S.producersbyandlargesell

12theirgrain,livestock,anddairyintoa

13domesticmarket,andthosecompaniesare

14basicallymultinationalcorporationsthatdo

15theactualexportandtrading.Theeconomic

16benefitsatthefarmgatefrominternational

17tradetoproducersistrickledown,at

18best.

19Fairtradeshouldbenefitthe

20producer,theconsumer,andtheentitythat

21does--handletheexport.Asourtrade

22agreementsarebeingcarriedouttoday,our

23membersseeverylittleifnobenefittothe

24producer,verylittletotheconsumer,and

25yetwecontinuetoseegainsintheprofit

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1linesforthelargercompanies.

2Thereisastatementmadethatthe

3customerisalwaysright,andyetthat

4doesn'tseemtoholdtrueasfarasour

5tradeisconcerned.Ifourcustomers,

6particularlytheEuropeans,don'twantGMO

7grainsandhormone-treatedbeef,whydon't

8wesimplymakenon-GMOgrainand

9hormone-freebeefavailabletothemand

10chargethemaccordingly?Wedonot

11challengeuseofGMOs.We'resimply

12sayingifthere'sacustomerthatwantsit,

13wantsnon-GMO,let'smakeitavailableto

14themandchargethemapricethatcoversthe

15cost.

16Wewouldalsoquestionthemotives

17ofsomeofourtradenegotiators.For

18example,wehavebeentoldthatthe

19Europeansrecentlyofferedtoexpand

20(inaudible)importstoourcountry,ifit

21wouldbehormone-free.Ourofficialsturned

22itdownsayingwedidnotwantthatkindof

23a market.

24 So I think, again, we simply need

25 to take a look at what our customer wants.

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0130

1Weneedtobeconcernedaboutwhatproducers

2needtohaveforapriceinthiscountry.

3IfounditinterestingtodayasI

4heardrepresentatives,particularlyof

5agribusinesseswhobuyfromfarmers,call

6foropen,free,andtransparentexport

7pricingandmarkets;andyetwhentherewere

8groupsandorganizationscallingforopen,

9free,andtransparentdomesticpricing,we

10foundthosengroupsandthosecompanieson

11theothersideofthefence.

12NationalFarmersOrganization

13supportsanyreasonableefforttoexpand

14exporttofarmcommodities,butthose

15agreementsmustadequatelyaddresslaborand

16environmentalissues,country-of-origin

17labeling,disputeresolutions,andproper

18reportingofagricultureimportandexport

19dataandfoodsafetystandards.

20Asyoucarryoutyournegotiations

21inSeattle,wesimplyaskyoutokeepin

22mind,isthisgoingtohelptheproducersin

23thiscountrywiththeproblemthey'refacing

24today,andthatisprice.

25Thankyouverymuch.

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1MR.BLOUIN:JoycePeterson.

2MS.PETERSON:Goodafternoon.

3I'mgladthatyoupeopleareheretolisten

4tothepeople.I'mgoingtotalkabouta

5fewmiscellaneousthings.

6Wedoneedfoodchoices,because

7peoplewhohaveillnessesneednonradiated

8food,andthat'shardtoobtain.I'veseen

9grapesthatI'vetakenhomethatarestill

10likethedayIboughtthemamonthlater,

11andwhenfoodisradiated,thatkillsthe

12enzymesthatareneededforproperhealth.

13Mygranddaughterneedsorganic

14foodinordertostaybetterwithher

15allergies;otherwise,herlandsswellup

16andshecoughsandhasotherproblems.But

17ifshe'sonorganicfood,shehasgood

18health.Wedoneednonhormonemeatfor

19thosewhodesire.It'snotjustEuropeans.

20Therearequiteafewpeopleinmycommunity

21thathavenonhormonemeatandeatorganic

22foods.

23As statedearliertoday, wehave

2425percentoftheworld'snumber1and2

25land.Nowwearebringingfactoriesand

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0132

1workinthefactories--workerhomesto

2liveonthisland.LiketheyexpectCedar

3Rapids

4todoubleinsizeinjustafewyears.This

5landissomethingthatshouldbekeptfor

6farming,Ifeel,becauseithasalotof

7richsoiltherethatcanmakegoodfood.

8Justlastfallalargecompanywas

9givingalotofpressuretomyephewto

10buildanotherbighogoperationwhenthe

11pricesofhogswereatthatterrificlow.

12Thislargecompanywasdoingthesameas

13theseairplanecompaniesareinDesMoines,

14wheretheychargealowpriceinorderto

15driveoutthesmallproducer,andthat's

16whattheselargecompaniesaretryingtodo

17withsmallproducersofdifferentproducts.

18TheU.S.issubsidizingthe

19spendingofmoneyforknowledgeforother

20countriestogrowmorefood.We'resending

21moneyoverthereallthetimetobuildmore

22roadsandmorestoragesothattheycanhave

23morefood.Inreality,Ithinkthatisa

24goodthing,butpleasedon'tuseour

25agricultureforablockforindustry.Let

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1thepeoplegrowineachcountrywhatthey
2need,insteadofusingourlandtogrowcorn
3andbeansthatyou'resendingoverseasthat
4areusedanddepositedintheirsoils.

5You'retakingourmineralsandsendingthem
6toothercountries.Eachcountryeventually
7shouldbeabletogrowtheirownandwe
8shouldhaveaset-aside,whateveritneeds,
9tokeepthesupplyinbalancewiththeneed,
10andweneedthatrightnow.

11Onewaywecouldhelpwouldbeto
12havemoregasohol,moredieselfuelandlet
13theoilstayinthegroundforthefuture
14whenwedon'thaveenoughextrabeansto
15maketheoil.It'sbettertohavea
16reserve.

17Let'ssee,there'sjust--weneed
18alsowhenthesecountries--companies,
19theselargemultinationalcompaniesimport
20productsfromotherlands,thattheydon't
21raisethebasicsalaryofthosepeopleevery
22yearatleast5percent.Theyshouldhave

23topayatax.That'sawayinsteadof

24takingusdown,let'stakethemup,andthat

25wouldbe--iftheyhadatax,thatwouldbe

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1agoodincentiveforthemtoraisethewages
2ofthese poor people so they can buy our
3products and we won't have to force-feed
4them with it.

5The LDP that we have right now,
6that comes from the taxpayers, and it's a
7very poor policy. I hope you can do
8something about it.

9Seemed like there was one other
10thing, but let's not just use exports as a
11Band-Aid. Let's try to get everything
12working the way it should be, like these
13people have talked about people being the
14driving force instead of these large
15multinational companies who don't need the
16money at all. Let's raise wages for those
17poor people overseas. Let's limit
18production instead of spending taxpayers'
19dollars to get rid of what excess that we
20don't need. Let's increase those other
21countries to grow their own and be
22self-sufficient like we are. Let them be

23proud.Thanksforlistening.

24MR.BLOUIN:Thankyouverymuch.

25BeforeIturnthemicrophoneovertto

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1 Secretary Judge for some closing comments, I
2 want to thank all of you for being part of
3 this today. I want to thank our listening
4 panel for absorbing everything that's been
5 said, and all the presenters for the thought
6 and effort that went into their comments,
7 but most of all I think we all want to thank
8 the farmers and ranchers of this country who
9 are so very much a part of the heart and
10 soul of our human being. Thank you. And
11 Secretary Judge.

12 SECRETARY JUDGE: I'm going to
13 stand up because I can't sit down any
14 longer. As we wrap up--and by the way, we
15 haven't done too bad. Don't you just love
16 it when a plan comes together. It's only
17 a quarter after 4:00, but I would like to give
18 the other listening panel members--and
19 we're not going to take three minutes. If
20 you've got something in 30 seconds to a
21 minute that you would like to say away
22 of wrap-up. Let's start down at the end of

23tableandgiveyouachancetosaywhatever

24youneedtosay.

25MR.ACETA:Thankyou,Secretary

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1 Judge. I'd just as likely to thank everyone
2 that came today and spoke. I should
3 probably explain why the State Department is
4 taking part in these. We do represent your
5 interests overseas, and that includes the
6 interest of ranchers and farmers. And part
7 of my job within the State Department is
8 trying to explain to the other people that
9 didn't think so much about agriculture why
10 these issues are important, not just for
11 farmers and ranchers, but for Americans. So
12 we thank you again.

13 MR. SAUNDERS: Patty, I would just
14 say thank you to the members of the
15 audience. I know some of them have left.
16 This has been a good learning experience for
17 me. I think any time we get people together
18 to come together to talk about our problems,
19 we're going to find some solutions, and I
20 think in all of this today we possibly have
21 found some bits and pieces that can be put
22 together. So I thank everyone for

23participating.

24MR.NEFF:Thankyou,Secretary

25Judge.Topickuponwhatwejustheard,we

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1aregoingtousethismaterialvery
2systematicallyintheU.S.Trade
3RepresentativesOfficeandalsointheUSDA
4compilingthecommentsfromaroundthe
5country,all12listeningsessions,
6recordingthemverysystematicallyaccording
7towhatcommodityinterestwe're
8representing,theviewsthatwereexpressed,
9andtakethoseintocarefulconsiderationin
10formulatingourobjectivesforthenew
11round.Dothankyouforcoming.It'sbeen
12apleasureformetolisten.
13MS.STATTLEMAN:Thankyou.Even
14thoughIcomefromthefarmandactuallywas
15evenbackhomelastweekendforsomeofthe
16verylengthywheatharvestthatKansashas
17experienced,itisgoodtocomeandlearn
18littlebitmoreaboutsomedoftheageconomy
19thatIamnotpersonallyinvolvedwithandI
20didnotgrowupwith.SoIappreciateyou
21sharingyourinformationandknowledgewith
22metoday.

23MR.GRAU:Asaformerproducer

24beforegoingtoWashington,D.C.,Iwould

25liketosaythankyouforallourcomments

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1on behalf of the Secretary and myself. If

2we can keep one more producer on the land,

3the next generation of farmer producers

4farming, we will have been a success. We

5did listen today and I thank you, Patty.

6Thank all the staff for tying this forum

7together because this is what it's about:

8Keeping that next generation out there and

9our environment protected.

10SECRETARY JUDGE: Thank you, Tom.

11I want to say thank you before we leave to

12the employees of the Iowa Department of

13Agriculture and Land Stewardship who have

14put in double time, overtime to try to

15assist all of us and to make this a

16successful event. Lots of volunteers here

17today from the Department. They are the

18folks that have on the red shirts, and I

19think that they all deserve a lot of

20thanks. Especially I'd like to thank Deputy

21Brent Halling who put a lot of work into this

22event and who spent a lot of time lining up

23speakersandmakingsurethateverything

24wentthewayitshould.MikeandMitch

25workedovertimeeveninthe--closeto

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0139

1midnightlastnightbeforewegotthose
2thingswoundup.Joanie,Linda,Shawna,the
3FFAyoungpeoplewhowerehere.We
4appreciatethemcoming.Andifyou're
5aroundthosekidsverymuch,itrenewsyour
6energyforworkingforagricultureforthe
7nextgeneration.Andalsodoublethanksto
8you,KathrynCornelius,forallofthework
9thatyou'vedone.It hasn't been all
10smooth,butwedidit,andIappreciateyour
11help.AndespeciallyIwouldliketothank
12ChrisDegnerandKatieTurnerwhoarehere
13whoareinterns,collegeinterns,and
14workingfortheDepartmentthissummer.And
15theyhave--Ihopethishasbeenalearning
16experience,atleasta--maybeIoughtto
17amendthatandsayIhopeit'sbeena
18positivelearningexperienceforyou.
19Tothoseofwhohavestuckthis
20outtothebitterend--andIreallydo
21thinkthatruleaboutbarringthedoors
22probablysomethingweneedtothink

23about--Iwanttoassureyouthatyour

24messageshavebeenheard,andIsharewith

25youthefrustrationthatallofagriculture

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1isfeelingrightnow,andwanttoassureyou
2thatweareverymuchawarethatexportsand
3reformoftradepoliciesarenotthe
4solutiontotheshort-termcrisisthatwe
5arenowfacing.ButIdobelievethatnot
6tobeginworkingonalong-term solution,of
7whichexportisapart,whilewealso
8addressthose short-term issues,isto
9reallydoomourselvestofailure.We have
10todoboth.Andbylisteningtoeachother
11andworkingtogether--andwedoneedto
12listen.Weheardalotofdifferent
13opinionsexpressedheretoday,andthat's
14great.That'swhatit'sallabout.And
15whenwecanlistentoeachotherandwork
16togetherandtrytosetasidesomeofour
17differences,wecansetacoursewhichis
18goingtoallowtheAmericanfarmerto
19realizetheprofitfortheirlaborthatthey
20so richly deserve.
21Again,thankyouforcoming.
22Let'skeepintouch.Wecansolvethese

23problems.

24(Listeningpanelconcludedat

254:21p.m.)

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